

NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Jana Small Finance Bank Limited will be held at shorter notice, on Monday, 30^{th} May 2022 at 3:30 a.m / p.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, to transact the following business:

ORDINARY BUSINESS:

1. Approval and Adoption of Audited Financial Statements of the Bank for the year ended 31st March 2022 along with Auditors' Report and Directors' Report:

To receive, consider and adopt the Audited Balance Sheet as at 31st March 2022 and Profit and Loss Account of the Bank for the year ended 31st March 2022, together with Cash Flow Statement for the year ended 31st March 2022, Notes to Financial Statements, Directors' Report and Auditors' Report thereon and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT the Bank do hereby adopt the Audited Balance Sheet as at 31st March 2022, 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. Ramesh Ramanathan (DIN- 00163276) 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. Ramesh Ramanathan (DIN- 00163276), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby reappointed as a director of the Bank."

SPECIAL BUSINESS

3. To re-appoint Mr. R. Ramaseshan (DIN :00200373) as an Independent Director of the Bank:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. R. Ramaseshan (DIN :00200373), who was appointed as an Independent Director of the Bank for a term of five years up to February 07, 2023, be and is hereby re-appointed as an Independent Director of the Bank for a period of 3 years with effect from February 08, 2023 and he shall not be liable to retire by rotation.

paise ki kadar



RESOLVED FURTHER THAT Mr. Ajay Kanwal, Managing Director & Chief Executive Officer and Mrs. 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."

4. To appoint Mr. K. Srinivas Nayak as an Independent Director of the Bank:

To consider and if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 of the Companies Act, 2013 and the Rules made there under and other applicable laws, if any, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. K. Srinivas Nayak (DIN: 09094351), who was appointed as an Additional Director (Independent) of the Bank by the Board of Directors with effect from May 05, 2022 and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as Director (Independent) of the Bank, not liable to retire by rotation, for a period of Five (5) years up to May 04, 2027.

RESOLVED FURTHER THAT Mr. Ajay Kanwal, Managing Director & Chief Executive Officer and Mrs. 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."

5. To pay fees or compensation exceeding fifty percent (50%) of the total remuneration payable to all the Non-Executive Directors to Dr. Subhash C. Khuntia (DIN: 05344972).

To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17 (6) (a) and (ca) and other applicable Regulation(s), if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Provisions(s), if any, of the Companies Act, 2013 and Rules made thereunder, the consent of the Members of the Bank be and is hereby accorded to pay fees or compensation, if any to Dr. Subhash C. Khuntia (DIN: 05344972), Independent and Non- Executive Director, exceeding fifty percent (50%) of the total annual remuneration / fees payable to all the Non-Executive Directors during the Financial Year 2022-23.

RESOLVED FURTHER THAT Mr. Ajay Kanwal, Managing Director & Chief Executive Officer and Mrs. 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."

6. To approve raising funds through issue of Debt instruments:

To consider and if thought fit, to pass 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 and Listing of Non-Convertible Securities) Regulations, 2021; (ii) the Securities Contracts (Regulation) Act, 1956; (iii) the Memorandum and Articles of Association of the Bank; and (iv) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; 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 Bank 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 2022-23. The yield for all Debentures (which includes coupon and redemption premium, but excludes processing fees which is payable additionally) issued during FY 2022-23 will be decided by board of directors of the Bank ("Board of Directors") for each tranche depending on financial market conditions.

RESOLVED FURTHER THAT Mr. Ajay Kanwal, Managing Director & Chief Executive Officer and Mrs. 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."

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

Lakshmi R.N. Company Secretary ACS - 14234

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Place : Bangalore Date : 17-May-2022

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/957215270

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

Item No. 3:

Mr. R. Ramaseshan were appointed as an Independent Directors for a period of 5 (Five) years effective from February 08, 2018 and their first term as an Independent Directors will come to end on February 07, 2023. In this connection, based on the recommendation of the Nomination and Remuneration Committee and considering the skills, experience, knowledge, performance and contribution to the Board of the Bank, the Board has approved and recommended the reappointment of Mr. R. Ramaseshan for a period of three (3) years with effect from February 08, 2023 subject to the approval of Shareholders. The Board is of the opinion that the continued association of Mr. R. Ramaseshan would benefit the Bank.

The Bank has received necessary consent and disclosures as per the requirement of Companies Act, 2013 and Rules made there under for such re-appointment and also declaration to the effect that they meet the criteria of independence as provided in sub section (6) of Section 149 of the Companies Act, 2013.

Pursuant to Section 149 (read with Schedule IV) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the approval of Shareholders by way of special resolution is required for the appointment of Independent Directors for the second term. In view of this, the Board recommends the Special Resolution as set out in Item no. 3 for the approval of the Members.

Except Mr. R. Ramaseshan in their respective resolutions, none of the other Directors, Key Managerial Personnel or their relatives is interested or concerned financially or otherwise in the said Resolutions.



Brief profile of the Directors being re-appointed;

i. Mr. R. Ramaseshan

R. Ramaseshan has an extensive experience in the Government as an officer of the IAS, and in the private sector as the MD & CEO of a commodity exchange. His predominant experience is in public finance, tax reforms, and equity and commodity markets. Passionate about creating a national market for agricultural produce to help farmers, he currently works with over six states to reform their agricultural market system. He holds a Bachelor's degree in Engineering and a Master's degree in Business Administration with specialisation in Finance. He is a fellow member of the Institute of Cost and Management Accountants of India.

Item no. 4:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Bank have appointed Mr. K. Srinivas Nayak as an Additional Director (Independent Director) of the Bank with effect from May 05, 2022.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, any Additional Director appointed by the Board will hold office up to the date of the ensuing Annual General Meeting. Hence, the approval of the Members of the Bank is required to appoint Mr. K. Srinivas Nayak as Director of the Bank. Also, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, appointment of Independent Director require approval of the Shareholders by way of a Special Resolution within three (3) months from the date of such appointment. Accordingly, the Board recommends the special Resolution as set out in item no. 4 for the approval of the Members of the Bank.

Mr. Srinivas Nayak fulfils the conditions for independence specified in the Act, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other laws / regulations for the time being in force, to the extent applicable to the Bank. Brief is provided below.

Except Mr. K. Srinivas Nayak, none of the other Directors, Key Managerial Personnel or their relatives is interested or concerned financially or otherwise in the said Resolution.

Brief profile of Mr. K. Srinivas Nayak

Mr. Nayak has had career of over 30 years managing and leading Technology projects and services in Financial Services. He has built and led multi-location Technology teams to deliver technology solutions deployed globally. Mr. Nayak has handled global responsibilities for software development and infrastructure services delivering global programmes. More recently, he has served as the CTO for a UK based Reg-Tech start-up. Mr. Nayak holds a Bachelor's degree in Engineering.

Item no. 5:

As per the requirement of Regulation 17 (6) (a) and (ca) SEBI (LODR) Regulations, 2015, if any fees and compensation payable to a single Non-Executive Director exceeds fifty percent (50%) of the total remuneration payable to all the Non-Executive Directors, the same shall require approval of Shareholders by way of a Special Resolution.

Pursuant to above said provision, the Bank hereby seeking the approval of the shareholders for payment remuneration / fees to Dr. Subhash C Khuntia, which is likely to exceed fifty percent (50%) of the total remuneration payable to all the Non-Executive Directors during the financial year 2022-23.

Details of the remuneration / fees payable to Dr. Subhash C. Khuntia is given below:

SI. No.	Particulars	Amount (in Rupees)
1	Part time Chairman Remuneration	15,00,000 p.a
	(Approved by the Reserve Bank of India)	
2	Sitting fees for attending each Board meeting	50,000
3	Sitting fees for attending each Committee meeting	25,000

In view of the above, the Board recommends the special resolution as set out in item no. 5 for the approval of the Shareholders of the Bank.

Except Dr. Subhash Khuntia, no other Directors, Key Managerial Personnel or their relatives is concerned or interested financially or otherwise, in the said Resolution.

Item no. 6:

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 Bank 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 – 2022-23.

The Board recommends the special resolution as set out in item no. 6 for the approval of the Shareholders of the Bank.

None of Directors, Key Managerial Personnel or their relatives is concerned or interested financially or otherwise, in the said Resolution.

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

Lakshmi R.N. Company Secretary ACS - 14234

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Place : Bangalore Date : 17-May-2022



JANA SMALL FINANCE BANK LIMITED REGD OFF: THE FAIRWAY BUSINESS PARK #10/1,11/2,12/2B,OFF DOMLUR KORAMANGALA INNER RING ROAD, NEXT TO EMBASSY GOLF LINKS, CHALLAGHATTA, BANGALORE - 560071

CIN: U65923KA2006PLC040028

ATTENDANCE SLIP 16^{th} Annual General Meeting, Monday 30^{th} May, 2022 at $3:30 \frac{a.m}{p.m}$

Name & Address of Shareholder	Registered Folio No. / DP ID & Client ID	No. of Shares held

I hereby record my presence at the 16th Annual General Meeting of the Bank held on Monday, 30th May, 2022 at the registered office of the Bank situated at The Fairway Business Park #10/1,11/2,12/2b,Off Domlur Koramangala Inner Ring Road, Next To Embassy Golf Links, Challaghatta, Bangalore - 560071 at 3:30 a.m/p.m.

If shareholder, please sign here	If proxy, please sign here

Shareholders/ Proxies are requested to fill up the attendance slip and hand it over at the venue.



Form No. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U65923KA2006PTC040028

Name of the Company/Bank: Jana Small Finance Bank Limited

Registered office: The Fairway Business Park, #10/1,11/2 & Inner Ring Road, Next to EGL Business Park, Challaghatta, Be	•
Name of the member (S): Registered Address: Email Id: Folio No./Client ID: DP ID:	
I/We, being the member (s) of shares of the above n 1. Name : Address : E-mail Id : Signature :, or failing him	amed Bank, hereby appoint
2. Name : Address : E-mail Id :	
as my/our proxy to attend and vote (on a poll) for me/us and General Meeting of the Bank, to be held on the 30 th May 2022 office of the Bank and at any adjournment thereof in respect in the Notice.	2 at $3:30 \frac{a.m.}{p.m}$ at the registered
Signed thisday of 2022	
Signature of shareholder :	Affix Revenue
Signature of Proxy holder(s):	Stamp
Note: This form of proxy in order to be effective should be duly	completed and denosited at the

Registered Office of the Bank, not less than 48 hours before the commencement of the Meeting.

BOARD'S REPORT

Your Directors have pleasure in presenting to you the **Sixteenth** Annual Report of the Company and the Fifth Annual Report of Jana Small Finance Bank Limited together with the Audited Statements of Accounts for the year ended 31st March, 2022.

1 FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

(Rupees in crores)

Particulars	FY 2021-2022	FY 2020-2021
Total Income	3,050.30	2,732.79
Interest Expended	1,336.75	1,234.58
Operating Expenses	1,138.82	1,047.31
Provisions and contingencies	569.32	366.59
Profit for the year	5.40	84.31
Add: surplus/(loss) brought forward from	(4,083.15)	(4,126.66)
previous year	(4,003.13)	(4,120.00)
Amount available for appropriation		0.00
Appropriations:		
Dividend & Dividend Tax		0.00
Transfer to Statutory Reserve under section 17 of the Banking Regulation Act and other reserves	5.28	40.82
Surplus carried to Balance Sheet	(4,083.02)	4,083.17

Note: - Figures for the previous year's figures have been restated wherever necessary, to align with the figures for the current year.

2 CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the business of the Bank during the year.

3 DIVIDEND:

Your Board has not declared or recommended any dividend for the financial year under review.

4 ISSUANCE OF CAPITAL:

During the year under review, 2,884 equity shares of face value of Rs. 10/- per share were allotted, in terms of exercise of units against Restricted Stock Units, under the ESOP scheme to a few employees of the Bank and 681,423 equity shares of face value of Rs. 10/- per share were allotted in terms of a preferential issue to Jana Holdings Limited.

As on 31st March, 2022, the paid up share capital stood at Rs, 201,41,15,640 divided into 5,14,11,564 equity shares of Rs. 10/- each and paid up preference sharesul of Rs. 150,00,00,000 divided into 15,00,00,000 preference shares of Rs. 10/- each.

Funds raised and Credit Ratings:

During the year the bank raised funds by way of issue of Inter-Bank Participatory Certificates (IBPCs). The outstanding IBPCs as on 31st Mar 2022 was Rs. 1,962.75 crore, outstanding with five banks viz. Federal Bank Ltd. (Rs. 750 crore,) Axis Bank Ltd. (Rs. 535.75 crores), HDFC

Bank Ltd (Rs. 382.50 crore), IDFC First Bank Ltd.(Rs. 200 crore) and Bandhan Bank (Rs. 94.50 crore.).

During the year, the Bank raised Rs. 50 crores from Vivriti Capital by issuing sub-ordinated debt. Sub-ordinated debt of Rs. 255 crores from CDC was prepaid and the tenure of the remaining Rs. 75 crores was extended up to 7^{th} July 2027.

The bank also availed a refinance facility of Rs. 440 crores from SIDBI during the year.

ICRA reaffirmed its rating of [ICRA] BBB (stable) in March, 2022 for the subordinate debt for an amount of Rs. 456 crore.

Capital Adequacy:

As per operating guidelines for Small Finance Banks, the Bank is required to maintain a minimum Capital Adequacy Ratio of 15% with a minimum Common Equity Tier I (CET I) CAR of 7.5%.

As on March 31, 2022, the Capital Adequacy Ratio of the Bank stood at 15.26% and the Common Equity Tier I ratio stood at 11.83%.

5 BOARD MEETINGS:

Board meetings are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. The Board of Directors met 8 (Eight) times during the financial year. Quarterly meetings were held on 13th May 2021, 8th September 2021, 12th November 2021 and 9th February 2022 to approve financial results and deliberate various business updates.

Also, the Board met at shorter notice, on 13^{th} August 2021, 31^{st} August 2021 to accord approval for preferential issue and non-convertible debenture issue. Further, the Board met on 12^{th} April 2021 and 29^{th} March 2022 for approval of the budget plan for the FY 2021-22 and FY 2022-23 respectively.

6 DIRECTORS AND KEY MANANGERIAL PERSONNEL:

During the year under review, there were changes in the composition of the Board. Dr. Subhash C. Khuntia was appointed as an Independent Director of the Bank for a period of five years w.e.f 28th July 2021. The Reserve Bank of India vide its letter No. DoR.GOV.No.S1833/29.44.001/2021-22 dated 25th October 2021, gave its approval for the appointment of Dr. Subhash Khuntia as a part time chairman of the Bank for a period of three years effective from 25th October 2021. Mrs. Vijayalatha Reddy step down on 5th April 2021 on completion of 70 years of age pursuant to the RBI circular. Mr. P. R. Seshadri has resigned from the directorship of the Bank w.e.f 29th March 2022.

Further, Mr. Kapil Krishan, Chief Financial Officer of the Bank resigned with effect from 31st October 2021 and Mr. Buvanesh Tharashankar was appointed as the Chief Financial Officer of the bank on 9th February 2022.

As on 31st March 2022 the composition of the Board was as below:

- 1. Dr. Subhash C. Khuntia
- 2. Mr. Ajay Kanwal
- 3. Mr. Ramesh Ramanathan
- 4. Mr. Vikram Gandhi
- 5. Mr. R. Ramaseshan

- Part Time Chairman, Independent Director
- Managing Director & Chief Executive Officer
- Non Executive Director
- Independent Director
- Independent Director

6. Ms. Chitra Talwar 7. Mr. Eugene Karthak 8. Mr. Rahul Khosla Independent DirectorIndependent DirectorNon Executive Director

As per Section 149(10) of the Companies Act, 2013, appointment of Independent Directors for second term requires prior approval of shareholders by way of a Special Resolution. Mr. R. Ramaseshan, who is completing his first term as an Independent Director of the Bank will come to an end on 7th February 2023. Hence necessary special resolution in this regard has been included as an agenda item in the Notice of Annual General Meeting.

As on the date of this report, there is a change in the composition of the Board as compared to 31st March 2022. Mr. Eugene Karthak, Independent Director of the Bank has resigned from the Board of Directors with effect from 9th April 2022.

Further, the Board has appointed Mr. K. Srinivas Nayak as an Additional Director (Independent) pursuant to Section 161 of the Companies Act, 2013 with effect from 5th May 2022. As required under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a special resolution has to be passed in the ensuing Annual meeting or within three (3) months from the date of appointment, whichever is earlier, in connection with the appointment of Mr. K. Srinivas Nayak. Hence necessary special resolution in this regard has been included as an agenda item in the Notice of Annual General Meeting.

7. DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declarations from each Independent Directors pursuant to the provisions of Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down in the provisions of Section 149(6) of the Companies Act, 2013.

Further, the Board hereby confirms that all Independent Directors of the Company fulfil the conditions as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013 and all Independent Directors are independent of the management.

8. MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There were no material changes and commitments between the end of the financial year and the date of the Report, which affect the financial position of the Company.

9. COMPOSITION OF AUDIT & COMPLIANCE COMMITTEE:

The Company has complied with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the composition of the Audit Committee. As on 31st March 2022, the composition of the Audit Committee was as follows:

Mr. Eugene Karthak (Committee Chairman)

Mr. R. Ramaseshan

Mr. Ramesh Ramanathan

Mr. Vikram Gandhi

Mr. Rahul Khosla

The terms of reference of the Audit & Compliance Committee are as per the provisions of Section 177 of the Companies Act, 2013 and as prescribed by the Reserve Bank of India.

The Audit & Compliance committee met 7 (Seven) times during the financial year, on 12th May 2021, 13th May 2021, 7th September 2021, 11th November 2021, 12th November 2021, 8th February 2022 and 9th February 2022.

NOMINATION & REMUNERATION POLICY:

The Bank has adopted a Nomination and Remuneration Policy on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under the provisions of Section 178(3) of the Companies Act, 2013. The Policy is available at the website of the Company at www.janabank.com/about-us/leadership-governance/policies/).

10. VIGIL MECHANISM:

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, the Company has established a vigil mechanism for directors and employees to report genuine concerns. The vigil mechanism forms a part of the Whistle Blower Policy, which has been approved by the Board of Directors in their meeting held on 5th August 2014 as a NBFC-MFI. After conversion into a Small Finance Bank, the Bank Board has approved the Whistle Blower Policy and Vigilance Policy, in their meeting held on 8th February 2018. The Policy has been hosted on the website of the Bank.

The Bank has an Anti-Sexual Harassment Policy to promote a workplace that is free of sexual harassment. A committee to investigate and redress any grievance has been formed, which meets on need basis.

11. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank as at 31st March 2022 and of the profit and loss of the Bank for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors, had laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Bank does not have any subsidiary or associate company.

13 EXTRACT OF ANNUAL RETURN: Lakshmi /Gourish

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the annual return in the form **MGT 9**, a part of this Board's Report is attached(**ANNEXURE I**).

14 AUDITORS:

Statutory Auditors

The RBI vide its letter no. DOS.ARG.No.PS-88/08.72.005/2021-22 dated July 1, 2021, has approved the proposal of appointment of M/s. M. M. Nissim & Co. LLP and M/s. Brahmayya & Co, Chartered Accountants as statutory auditors of the Bank for the financial year 2021-22.

Subsequently the shareholders of the Bank at their 15th Annual General Meeting held on 19th August 2021 have appointed M/s. M. M. Nissim & Co. LLP and M/s. Brahmayya & Co, Chartered Accountants as the joint statutory auditors for the financial year 2021-22.

Secretarial Auditor

The Board has appointed Mr. Nagendra D. Rao, Practising Company Secretary (Membership No.FCS-5553), Bangalore, as the Secretarial Auditor as per the provisions of Section 204 of the Companies Act, 2013 for the financial year 2021-22. The Secretarial audit report issued by him is annexed to this report as **ANNEXURE V**.

Qualifications, Reservations or adverse remarks or disclaimers made by the Auditors:

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors. The statutory auditors have expressed an unmodified opinion in the audit reports in respect of the Audited Financial Statements for the financial year ended 31st March, 2022.

Further, there are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditor in his Secretarial Audit Report.

15 DETAILS OF FRAUDS REPORTED BY AUDITORS, IF ANY:

Nil.

16 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

- (A) Conservation of energy: Not applicable
- (B) Technology absorption: Not Applicable
- (C) Foreign exchange earnings and Outgo:

Foreign exchange earnings: NIL and Foreign exchange expenditure: Rs. 24.56 Crores.

17 DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguard of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

18 RISK MANAGEMENT POLICY:

The Bank has put in place a comprehensive Risk Management framework supported by detailed policies and processes for the management of Credit Risk, Market Risk, Liquidity Risk, Operational Risk and various other risks.

The Risk Management Committee of the Board has established a formal Risk Appetite Statement which governs the risk-taking activities in the Bank. The Risk Management Committee exercises oversight on the implementation of various risk management policies and processes and is also in charge of review of these and other policies from the risk perspective.

19 CORPORATE SOCIAL RESPONSIBILTY POLICY:

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, the CSR Committee of the Board of Directors was formed to recommend (a) the policy on Corporate Social Responsibility (CSR) and (b) implementation of CSR Projects or Programmes to be undertaken by the Bank as per the CSR Policy. The CSR policy has been duly approved by the Board of Directors.

REASON FOR NOT SPENDING:

The Bank had incurred losses for the financial year 2018-19 and had earned profit for the financial years 2019-20 and 2020-21 and hence the Bank could not earmark funds for Corporate Social Responsibility initiatives during the financial year 2021-22 pursuant to Section 135(5) of the Companies Act, 2103. However, the Bank has voluntarily spent Rs. 11,30,125/- towards following CSR initiatives during the year 2021-22. The details are as under:

- a) Partnered with MJV Medical College & Research Hospital for COVID 19 ICU Ward.
- **b)** Organised a health camp in association with MFIN for the flood affected families in Motihari, Muzaffarpur and Begusarai.
- **c)** Purchased computer and printers for training urban poor and street vendor under Employment Enhancing Vocational Skills.
- d) Provided food packets to families affected by floods at Gorakhpur
- **e)** Partnered with Saveetha Institute of Medical and Technical Sciences for purchase of ventilator for ICU Ward.
- **f)** Partnered with Vasundhara Foundation for providing a training program for enhancing vocation skills especially for women and children.

20 RELATED PARTY TRANSACTIONS:

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 is as in **ANNEXURE – I.**

21 FORMAL ANNUAL EVALUATION:

The Nomination & Remuneration Committee in their meeting held on 16th May 2022 took note of the evaluation report of the Board's performance including Directors' own performance and committees of the Board. The Committee deliberated on various evaluation attributes indicated in the evaluation questionnaire for all directors and after due deliberations made an objective assessment and evaluated that all directors in the Board have adequate expertise drawn from diverse backgrounds and businesses and bring specific competencies relevant to the Bank's business and operations.

The Committee found that the performance of all Directors was quite satisfactory and the functioning of the Board and its Committees were quite effective. The Committee evaluated Board's composition and Board's performance as a whole and expressed satisfaction in this regard. Further, the Committee's suggestion/feedback were duly taken note of by the Management.

22 Employees Stock Option Scheme. (ESOP):

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the Employee Stock Option Scheme in accordance with the ESOP Scheme approved by the shareholders.

Details of Employees Stock Options as on 31st March 2022.

The following are the outstanding options as at year end:					
	March 31, 2022				
Particulars	ESOP 2017	ESOP 2018	ESOP 2017 (RSU)	ESOP 2018 (RSU)	
Total Options granted and outstanding at the beginning of the year	14,51,448	3,93,039	63,075	14,656	
Add: Options granted during the year	1,86,094	1815	17,688	9,189	
Less: Options forfeited / lapsed during the year	4,715	-	1	1	
Less: Options exercised during the year	1	-	-	3075	
Options Outstanding as at end of the year	16,32,827	3,94,854	80,763	20,770	
- Vested	7,98,301	1,80,931	71,083	5,530	
- Yet to Vest	8,34,526	2,13,923	9,680	15,240	

Employee – wise details of options granted during the year.

1. Key Managerial Personnel:

Employee Name	Designation	No. of Options Granted till date
----------------------	-------------	--

Ajay Kanwal	Managing Director and Chief	ESOP: 567647
	Executive Officer	RSU: 75411
Buvanesh		ESOP: 6711
Tarashankar	Chief Financial Officer	RSU:344
Lakshmi R N		ESOP: 1458
	Company Secretary	RSU: 74

- 2. Any other employee who received grant of options amounting to 5% or more of options granted during that year: NIL
- 3. Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the bank at the time of grant: NIL

23 RATIO OF REMUNERATION TO EACH DIRECTOR:

Details / Disclosures of Ratio of Remuneration to each Director to the median remuneration of employees is in **ANNEXURE – III.**

24 LISTING WITH STOCK EXCHANGES:

The Bank has listed its debt securities (i.e. non-convertible debentures) on the BSE and confirms that it has paid the annual listing fees for the year FY 2022-23.

25 CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

A report on Corporate Governance as applicable to the Bank is included as a part of this Annual Report (ANNEXURE IV).

Dr. Subhash C. Khuntia Non-Executive Chairman

Ajay Kanwal MD & CEO

Date: 17-May-2022

NNEXURE I

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

For the financial year ended on 31.03.2022

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

1.	CIN	U65923KA2006PLC040028
2.	Registration Date	24-Jul-2006
3.	Name of the Company	Jana Small Finance Bank Limited
4.	Category/Sub-category	Public Limited Company limited by Shares
	of the Company	
5.	Address of the	The Fairway Business Park, # 10/1, 11/2 & 12/2B Off
	Registered office &	Domlur, Koramangala Inner Ring road, Next to EGL Business
	contact details	Park, Challaghatta, Bengaluru – 560071
6.	Whether listed company	No, However, the non-convertible debentures issued by the
		Company have been listed on the Bombay Stock Exchange
7.	Name, Address &	KFin Technologies Limited (Earlier known as KFin
	contact details of the	Technologies Private Limited),
	Registrar & Transfer	Selenium Tower B, Plot No 31 & 32,
	Agent, if any.	Gachibowli, Financial District,
		Nanakramguda, Serilingampally
		Hyderabad – 500 032, Telangana State (TS)
		Ph. no.: +91 040 67161602

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main	NIC Code of the	% to total turnover of the
	products / services	Product/service	company
1	Banking & Financial Services	64191	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.	Name and Address	CIN/GLN	Holding	% of shares	Applicable
No.	of the Company		/Subsidiary/Associate	held	Section
1			Not applicable		
2					
3					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of the total equity) Category-wise share holding:

Equity Shares:

Category of Shareholders	No. of Shares held at the end of the year[As on 31- March-2021]	No. of Shares held at the end of the year[As on 31-March-2022]	% Change
			during

	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	the year
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	21344374	0	21344374	42.08%	22025797	0	22025797	42.84%	0.77%
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	21344374	0	21344374	42.08%	22025797	0	22025797	42.84%	0.77%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	2914519	0	2914519	5.75%	2914519	0	2914519	5.67%	-0.08%
g) FIIs	19234095	0	19234095	37.92%	19234095	0	19234095	37.41%	-0.50%
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) Private equity fund	141285	0	141285	0.28%	141285	0	141285	0.27%	0.00%
Sub-total (B)(1):-	22289899	0	22289899	43.94%	22289899	0	22289899	43.36%	-0.58%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1554973	0	1554973	3.07%	1554973	0	1554973	3.02%	-0.04%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10593	0	10593	0.02%	13477	0	13477	0.03%	0.01%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	234605	0	234605	0.46%	234605	0	234605	0.46%	-0.01%
c) Others (specify) HUF	199958	0	199958	0.39%	199958	0	199958	0.39%	-0.01%
Non Resident Indians	0	0	0	0	0	0	0	0	0.00%

Overseas Corporate Bodies	5092855	0	5092855	10.04%	5092855	0	5092855	9.91%	-0.13%
Foreign Nationals	0	0	0	0	0	0	0	0	0.00%
Clearing Members	0	0	0	0	0	0	0	0	0.00%
Trusts	0	0	0	0	0	0	0	0	0.00%
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0.00%
Sub-total (B)(2):-	7092984	0	7092984	13.98%	7095868	0	7095868	13.80%	-0.18%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	29382883	0	29382883	57.92%	29385767	0	29385767	57.16%	-0.77%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00%
Grand Total (A+B+C)	50727257	0	50727257	100.00%	51411564	0	51411564	100.00%	0.00%

${\bf Compulsorily\ Convertible\ Preference\ Shares:}$

Category of Shareholders			t the beginnin I-March-2021		No. of Shares held at the end of the year[As on 31-March-2022]		% Change during the year		
	Demat	Physic al	Total	% of Total Shares	Demat	Physi cal	Total	% of Total Share s	
A. Promoters									
(1) Indian a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	-
B. Public Shareholding									
1. Institutions			_						
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI c) Central Govt	-	-	-	-	-	-	-	-	<u> </u>
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

g) FIIs/Foreign	-
h) Foreign	
	-
Venture Capital	
Funds	
i) Others	
(specify)	
Sub-total	-
(B)(1):-	
2. Non-	
Institutions	
a) Bodies Corp.	
i) Indian 15,00,00,000 - 15,00,00,000 - 15,00,00,000 - 15,00,00,000 100.00	_
.)	
II) Overseas	-
b) maividuals	-
i) Individual	-
shareholders	
holding nominal	
share capital	
upto Rs. 1 lakh	
ii) Individual - - - - - - - - -	-
shareholders	
holding nominal	
share capital in	
excess of Rs 1	
lakh	
c) Others	-
(specify)-HUF	
Non Resident	-
Indians	
Overseas	-
Corporate	
Bodies	
Foreign	_
Nationals	
	_
Clearing	-
Trusts	-
roreign bodies -	-
D R	
Jan Court	-
(B)(2):-	
Total Public 15,00,00,000 - 15,00,00,000 100.00 15,00,00,000 - 15,00,00,000 100.00	-
Shareholding	
(B)=(B)(1)+	
(B)(2)	
C. Shares held	-
by Custodian	
for GDRs &	
for GDRs & ADRs	
for GDRs &	-

SN	Shareholde r's Name	Shareholding the year	ng at the begi	nning of	Shareholding at the end of the year			% change in
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumb ered to total shares	No. of Shares	% of total Shares of the compan y	%of Shares Pledged / encumbe red to total shares	sharehold ing during the year
1	Jana Holdings Limited	21344374	42.08	1.89	22025797	42.84	1.87	0.76

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

SN	Particulars	Shareholding at the beginning of		Cumulative Shar	eholding during	
		the year		the year		
		No. of shares	% of total	No. of shares	% of total	
			shares of the		shares of the	
			company		company	
	At the beginning of the	21344374	42.08	21344374	42.08	
	year					
	Date wise Increase /	31-Jan-2022 :				
	Decrease in Promoters	423,308	0.83	21767682	42.55	
	Shareholding during	(allotment of				
	the year specifying the	Equity shares)				
	reasons for increase /	28-Feb-2022 :				
	decrease (e.g. allotment	258,115	0.50	22025797	42.84	
	/transfer / bonus/	(allotment of				
	sweat equity etc.):	equity shares)			_	
	At the end of the year	22025797		22025797	42.84	

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10	Shareholding at the		Cumulative	
	Shareholders	beginning		beginning Shareholdin	
		of the year		the	
				Year	
		No. of	% of total	No. of	% of total
		shares	shares of	shares	shares of
			the		the
			company		company

At the beginning of the year	Refer		
	Attachment		
	A		
Date wise Increase / Decrease in			
Promoters Shareholding during the			
year specifying the reasons for increase			
/decrease (e.g. allotment / transfer /			
bonus/ sweat equity etc.):			
At the end of the year			

V) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and	Shareholding	at the	Cumulative	9
	each Key Managerial Personnel	beginning	beginning		ng during
		of the year		the	
				Year	
		No. of	% of total	No. of	% of total
		shares	shares of	shares	shares of
			the		the
			company		company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in				
	Promoters Shareholding during the				
	year specifying the reasons for increase				
	/decrease (e.g. allotment / transfer /				
	bonus/ sweat equity etc.):				
	At the end of the year				

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

Rupees in crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedn ess
Indebtedness at the beginning of the financial			
year			
i) Principal Amount	963.80	4,741.40	5,705.20
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not Due	2.46	64.34	66.80
Total (i+ii+iii)	966.26	4,805.74	5,772.00
Change in Indebtedness during the financial			
year			

· Addition	1,08,370.72	27,412.85	1,35,783.5 7
· Addition - conversion from secured to unsecured	-	-	-
· Reduction	1,06,558.77	28,457.52	1,35,016.1 9
Reduction - conversion from secured to unsecured	-	-	-
Net Change	1,811.95	(1,044.57)	767.38
Indebtedness at the end of the financial year			
i) Principal Amount	2,775.75	3,696.83	6,472.58
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	7.76	54.22	61.98
Total (i+ii+iii)	2,783.51	3,751.05	6,534.56

Note: Section 73 (1) of the Companies Act, 2013, states that the provisions of the said Act relating to acceptance of deposits by companies do not apply to a Banking company as defined in the Reserve Bank of India Act, 1934. Accordingly, information relating to the Bank's deposits has not been disclosed in the table above. As per the applicable provisions of the Banking Regulation Act, 1949, details of the Bank's deposits have been included under Schedule 3 - Deposits, in the financial statements of the Bank.

Debentures:

Type of Debentures	Debentures (Rs.)		Total Nominal value of Debentures [Rs. In crore]
Non-convertible (for each type):-			
At the beginning of the year	7,010	7,010 units at FV 10,00,000	701
Changes during the year (Increase/Redemption)	Increase : 500	500 units at FV 10,00,000	50
	Redemption: 2,950	Redemption 2950 units of FV 10,00,000	295.00
At the end of the year	456	3,300 units at FV 2,27,272.73	75
		3,810 units at FV1,000,000	381
Partly-convertible (for each type)	NA	NA	NA
At the beginning of the year	NA	NA	NA

Changes during the year (Increase/Redemption)	NA	NA	NA
At the end of the year	NA	NA	NA
Fully-convertible (for each type)	NA	NA	NA
At the beginning of the year	NA	NA	NA
Changes during the year (Increase/Converted)	NA	NA	NA
At the end of the year	NA	NA	NA
Total Amount of Debentures			
At the beginning of the year	7,010	7,010 units at FV 10,00,000	701
Changes during the year (Increase/Redemption)	Increase : 500	500 units at FV 10,00,000	50
	Redemption: 2,950	Redemption 2950 units of FV 10,00,000	295.00
At the end of the year	456	3,300 units at FV 2,27,272.73	75
		3,810 units at FV1,000,000	381

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/	Total Amount
		Manager	
		Ajay Kanwal	
		(MD & CEO)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of	7,15,75,662	7,15,75,662
	the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	1,3,19,482	1,3,19,482
	(c) Profits in lieu of salary under section 17(3) Income-	-	-
	tax Act, 1961		
2	Stock Option	-	-
3	Sweat Equity	-	-

4	Commission	-	-
	- as % of profit		
	- others, specify		
5	Others, please specify	-	-
	Car EMI	12,23,291	12,23,291
	Employer PF Contribution	20,43,615	20,43,615
	Total (A)	7,61,62,050	7,61,62,050
	Ceiling as per the Act		

Note – Value of the Perquisites is not included in the Total amount (A).

B. Remuneration to other directors

SN.	Particulars of	Name of Directors						Total
	Remuneration							Amount
1	Independent	Dr.	Vikram	R.	Chitra	Eugene	P R	
	Directors	Subhash	Gandhi	Ramases	Talwar	Karthak	Seshadri	
		C.		han			(resigne	
		Khuntia					d wef	
							29-Mar-	
							2022)	
	Fee for attending	5,25,000	3,50,000	8,25,000	7,75,000	5,00,000	8,25,000	40,25,000
	board committee							
	meetings							
	Commission	-	-	-	-	-	-	-
	Others, please	6,54,167	-	-	-	-	-	654,167
	specify (Fixed							
	pay)							
	Total (1)	11,79,167	3,50,000	8,25,000	7,75,000	5,00,000	8,25,000	51,54,167
2	Other Non-	Ramesh	Rahul					
	Executive	Ramanat	Khosla					
	Directors	han						
	Fee for attending	-	5,75,000					-
	board committee							
	meetings							
	Commission	-	-					-
	Others, please	-	-					-
	specify							
	Total (2)	-	5,75,000					-
	Total (B)=(1+2)	11,79,167	9,25,000	7,75,000	7,25,000	4,50,000	8,25,000	55,54,167
	Overall Ceiling as				pays sitting f			
	per the Act (sitting				elow the ceil			meeting as
	fees not to exceed Rs.			prescribed under the Companies Act, 2013.				
	1,00,000 per							
	meeting)							
	meeningj							

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD [*Please note that the salary of CEO is already provided under section VII A and in our Bank MD holds the position of CEO also]

SN	Particulars of Remuneration	Key Managerial Personnel					
		CEO *	CFO (from 1st	CFO(1st	CS	Total	
			Dec to 31	Apr'21			
			Mar'22)	to 31st			
				Oct'21)			
1	Gross salary	-					
	(a) Salary as per provisions	-	5026928	7745820	2586922	15359670	
	contained in section 17(1) of						
	the Income-tax Act, 1961						
	(b) Value of perquisites u/s	-	-		-	-	
	17(2) Income-tax Act, 1961						
	(c) Profits in lieu of salary	-	-		-	-	
	under section 17(3) Income-						
	tax Act, 1961						
2	Stock Option	-	-		-	-	
3	Sweat Equity	-	-		-	-	
4	Commission		-		-	-	
	- as % of profit	-	-		-	-	
	others, specify	-	-		-	-	
5	Others, please	-	246400	-	125967	372367	
	specify(Employer PF						
	Contribution)						
	Total	-	5273328	7745820	2712889	15732037	

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Ethentia Amuel

Dr. Subhash C. Khuntia Non - Executive Chairman Ajay Kanwal MD & CEO

Date: 17-May-2022

Attachment A

Jana Small Finance Bank Limited Shareholding Pattern as on 31-Mar-2022 and 31-Mar-2021 (Top 10 shareholders other than directors, promoters, GDRs and ADRs)

Sr No.	Shareholder	No of Shares (31-Mar- 2020)	% holding	Allotment	Transfers	No of Shares (31-Mar- 2021)	% holding
1	TPG Asia VI SF Pte. Ltd	50,26,499	9.91%	-	-	50,26,499	9.78%
2	North Haven Private Equity Asia Platinum Pte. Ltd	41,47,427	8.18%	-	-	41,47,427	8.07%
3	Amansa Holdings Pte. Ltd	31,54,275	6.22%	-	-	31,54,275	6.14%
4	HarbourVest Partners Co-Investment Fund IV L.P.	22,66,940	4.47%	-	-	22,66,940	4.47%
5	Client Rosehill Limited	17,57,755	3.47%	-	-	17,57,755	3.42%
6	Alpha TC Holdings Pte Ltd	17,48,975	3.45%	-	-	17,48,975	3.40%

7	Treeline Asia Master Fund (Singapore) Pte. Ltd.	16,52,101	3.26%	-	-	16,52,101	3.21%
8	ICICI Prudential Life Insruance						
	Company Ltd	11,07,639	2.18%	-	-	11,07,639	2.15%
9	Bajaj Allianz Life Insurance Company						
	Ltd	10,84,128	2.14%	-	-	10,84,128	2.11%
10	QRG Enterprises Limited						
		9,86,216	1.94%	-	-	9,86,216	1.92%

Dr. Subhash C. Khuntia Non Executive Chairman Ajay Kanwal MD & CEO

Date: 17-May-2022

ANNEXURE - II

FORM NO. AOC.2

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 transactions under third proviso thereto

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

- 1. Details of contracts or arrangements or transactions not at arm's length basis: All Related Party Transactions are at arm's length.
- 2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

(i)

- (a) Name(s) of the related party and nature of relationship: Jana Urban Foundation and Mr. Ramesh Ramanathan, Director & Non-Executive Chairman of the Board is also a Director & Chairman in that Company.
- (b) Nature of contracts/arrangements/transactions : Trademark Licence Agreement

- (c) Duration of the contracts/arrangements/transactions : Perpetuity, effective from 1-Nov-2019
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

 The licence agreement is for usage of "J" Logo and word "JANA" by the Bank which is owned by Jan Urban Foundation
- (e) Date(s) of approval by the Board, if any: 24th October 2019
- (f) Amount paid as advances, if any: Nil

Dr. Subhash C. Khuntia Non Executive Chairman Ajay Kanwal MD & CEO

Date: 17-May-2022

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ANNEXURE - III

	MINERORE
(i) The ratio of the remuneration of each director to the median	MD&CEO - 7,15,75,662/2,45,286
remuneration of the employees of the	All Employee Median (2,45,286) - Median amount of
company for the financial year;	annualised Fixed pay for all employees
(ii) The percentage increase in	MD&CEO: (28.36%) - The increase in cost vis-à-vis
remuneration of each director, Chief	previous year is on account of bonus amount paid in this FY
Financial Officer, Chief Executive	(i.e. Apr'21 & Feb'22) basis the approval from RBI
Officer, Company Secretary or	(p)
Manager, if any, in the financial year;	CS: (13.07%)- increase in cost due to increment & bonus paid.
	CFO: (3.8%) This represents 2 CFO's salary in the previous
	year (2020-21) as against CFO's salary in the current year
	(2021-2022) at different costs.
(iii) The percentage increase in the	(245286- 223678) / 223678= 9.66%
median remuneration of employees in	
the financial year;	
(iv) The number of permanent	15,641 (as on 31st March 2022)
employees on the rolls of company;	
(v) Average percentile increase already	Jana Small Finance Bank compensation policy has a target
made in the salaries of employees other	for compensation benchmarking at median or above for
than the managerial personnel in the	employees.
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;	
(vi) Affirmation that the remuneration	Yes
is as per the remuneration policy of the	
company.	

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

Particulars of employees remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of this report. Considering first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the said information, was sent to the members of the Bank and others entitled thereto. The said information is available for inspection at the registered office of the Bank during working hours up to the date of ensuing annual general meeting. Any member interested in obtaining such information may write to the Company Secretary in this regard. The said information is also available on the website of the Bank at www.janabank.com

Dr. Subhash C. Khuntia Non Executive Chairman Ajay Kanwal MD & CEO

Date: 17-May-2022

ANNEXURE - IV

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The Bank is committed to ensure high standards of transparency and accountability in all its activities. Best management practices and high levels of integrity in decision making are diligently followed to ensure sustained wealth generation and creation of value for all stakeholders. The Bank adheres to all principles of corporate governance in its true spirit and at all times.

BOARD OF DIRECTORS

Composition

The Board consists of 8 directors as on 31st March 2022. All independent directors possess requisite qualifications and are very experienced in their respective fields. Necessary disclosures have been obtained from all directors regarding their directorship and have been taken on record by the Board. None of the non-executive directors has any material pecuniary relationship or transactions with the Company.

The names of the directors and the details of other committee membership of each Director as on 31st March 2022 is given below:

Board Meetings and Attendance at Board Meetings

The Board met 8 times during the financial year 2021-22 and the gap between two meetings did not exceed one hundred and twenty days, as per the provisions of the Companies Act, 2013.

The dates for the board meetings are fixed after taking into account the convenience of all directors and sufficient notice is given to them. Detailed agenda notes are sent to the directors. All information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Managing Director & CEO appraises the Board on the overall performance of the Bank at every board meeting. The Board reviews performance, approves capital expenditures, sets the strategy of the Bank and ensures financial stability. The Board takes on record the actions taken by the Bank on all its decisions periodically.

Attendance of each Director at Board Meetings

S.No	Name	No. of Board Meetings held	No. of Board Meetings attended
		Treetings here	ricetings attended
1	Dr. Subhash C Khuntia*	3	3
2	Ajay Kanwal	4	4
3	Ramesh Ramanathan	4	4
4	Vikram Gandhi	4	1
5	R. Ramaseshan	4	4
6	Chitra Talwar	4	4
7	Eugene Karthak	4	2
8	P R Seshadri**	4	4
9	Rahul Khosla	4	3

^{*} Joined on July 28 2021

Attendance of each Director at Board Meetings (at shorter notice):

S.No	Name		No. of Board					
		Meeti	ngs held	d	Meetings attended			
1	Dr. Subhash C Khuntia*	3			3			
2	Ajay Kanwal		4		4			
3	Ramesh Ramanathan		4		4			
4	Vikram Gandhi		4		2			
5	R. Ramaseshan	4		4		4		
6	Chitra Talwar	4		3				

^{**}Resigned with effect from 29th March 2022

7	Eugene Karthak	4	3
8	P R Seshadri**	3	3
9	Rahul Khosla	4	3

^{*} Joined on July 28 2021

AUDIT AND COMPLIANCE COMMITTEE

The committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the Bank. The terms of reference of the committee covers all matters specified in section 177 of the Companies Act, 2013 and as required by the Reserve Bank of India. The terms of reference broadly include review of internal audit reports and action taken reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the Bank. The committee reviews compliance with legal and statutory requirements, quarterly, half yearly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of the internal auditor and the statutory auditor. The committee also looks into those matters specifically referred to it by the Board.

The Audit & Compliance committee met 7 (Seven) times during the financial year, on 12th May 2021, 13th May 2021, 7th September 2021, 11th November 2021, 12th November 2021, 8th February 2022 and 9th February 2022.

Statutory auditors were present at the audit committee meetings held on 13th May 2021, 12th November 2021 and 9th February 2022.

The committee comprised the following directors for the year ended 31st March 2022:

Mr. Eugene Karthak (Committee Chairman)

Mr. R. Ramaseshan

Mr. Ramesh Ramanathan

Mr. Vikram Gandhi

Mr. Rahul Khosla

The terms of reference of the Committee:

The Committee is governed by the terms of reference specified by Companies Act 2013, RBI circulars issued from time to time & the regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Bank has adopted the terms of reference for the Committee from the three regulators which are listed as Annexure I, II and III to this Charter.

Annexure I

(A) As per the provision of Section 177 of the Companies Act, 2013, the Committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter alia, include

^{**}Resigned with effect from 29th March 2022

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

The Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

The Committee shall have authority to investigate into any matter in relation to the items specified in subsection (4) of Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

Annexure II

(B) Terms of Reference as per RBI Circular issued from time to time are as below:

Quarterly

Exposure to sensitive sectors i.e. capital market & real estate.

- KYC / AML Guidelines (i) Review of implementation (ii) Review of compliance of concurrent audit reports with respect to adherence to KYC / AML guidelines at branches.
- Review of housekeeping particularly balancing and reconciliation of long outstanding entries Suspense / Sundries / Drafts payable / paid / Funds in Transit / Clearing / SGL / CSGL accounts
- Review of compliance in respect of the Annual Financial Inspection conducted by RBI and any other inspection conducted by any regulators (ACB should review this on ongoing basis till the bank furnishes full compliance. ACB should closely monitor persisting deficiencies pointed out in RBI Inspection Reports)
- Review of Audit plan and status of achievement thereof.
- Review of significant Audit Findings of the following audits along with the compliance thereof (i) LFAR (ii) Concurrent Audit (iii) Internal Inspection (iv) I.S. Audit of Data Centre (v) Treasury and Derivatives (vi) Management Audit at Controlling Offices / Head Offices (vii) Audit of Service Branches (viii) Currency Chest (ix) FEMA Audit of branches authorized to deal in foreign exchange, etc.
- Compliance report on directives issued by ACB / Board / RBI.
- Report on compliance of clause 49 and other guidelines issued by SEBI from time to time.
- Report on compliance of regulatory requirement of Regulators in Host Countries in respect of overseas branches.
- Review of Frauds (frauds of Rs.1 crore and above to be reviewed as and when reported).
- Review of financial results for the quarter
- Review of information on violations by various functionaries in the exercise of discretionary powers.
- Information in respect of equity share holdings in borrower companies more than 30% of their paid up capital.
- Review First Year Audit Committee minutes and give recommendations.

Half Yearly

- Status of implementation of Ghosh and Jilani Committee reports
- Detailed report on fraudulent transactions relating to Internet Banking through phishing attacks pointing out in particular the deficiencies in the existing systems and steps taken by the IT department to prevent such cases.

Annual

- Change in accounting policy and practices which may have significant bearing on financial statements. A confirmation that accounting policies are in compliance with accounting standards and RBI guidelines.
- Review of IS Audit Policy
- Review of transactions with related parties
- Review of accounting policies / systems of the bank with a view to ensuring greater transparency in the bank's accounts and adequacy of accounting standards.
- Review of adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Review of the bank's financial and risk management policies.
- Review of annual accounts of the bank.
- Appointment of statutory auditors and review of performance both for domestic and overseas operations.
- Penalties imposed / penal action taken against bank under various laws and statutes and action taken for corrective measures
- Review of report on Revenue leakage detected by Internal / External Auditors and status of recovery thereof reasons for undercharges and steps taken to prevent revenue leakage.

Annexure III

- (C) As per the regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the role of the Audit Committee and review of information by Audit Committee is as under below:
- (1) oversight of the Bank's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Bank;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b) changes, if any, in accounting policies and practices and reasons for the same;
- c) major accounting entries involving estimates based on the exercise of judgment by management;
- d) significant adjustments made in the financial statements arising out of audit findings;
- e) compliance with legal requirements relating to financial statements;
- f) disclosure of any related party transactions;
- g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than

those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the Bank with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the Bank, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- (18) periodic inspection report submitted by the RBI and Certificates/returns/reports to the RBI pertaining to the Audit Committee function
- (19) annual Tax Audit statement and auditors report thereon
- (20) to review the functioning of the whistle blower mechanism;
- (21) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (22) to ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Bank.
- (23) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the committee.
- (6) statement of deviations as and when becomes applicable: {Need to review once the Bank get listed}
- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI (LODR) Regulations, 2015.

Compliance Charter for the Audit and Compliance Committee of the Board (ACB)

Sl. No	Particulars	Frequency
1	Report on compliance breaches/failures, if any	Quarterly, Annually
2	Review of the annual compliance risk assessment	Annually
3	Review of the implementation of KYC-AML guidelines	Quarterly

NOMINATION AND REMUNERATION COMMITTEE

The Committee comprised the following Directors for the year ended 31st March 2022:

Mr. R. Ramaseshan (Committee Chairman)

Mr. Ramesh Ramanathan

Ms. Chitra Talwar

Mr. Eugene Karthak

Mr. Rahul Khosla

The committee met 5 (Five) times in the financial year, on 12th Apr 2021, 12th May 2021, 7th September 2021, 11th November 2021 and 8th February 2022.

The terms of reference of the Committee shall, inter alia, include

a. Formulating the criteria for determining qualifications, compliance with the fit and proper criteria as required under the Reserve Bank of India Guidelines for Licensing of Small Finance Banks in the Private Sector, positive attributes and independence of a director and recommend to the Board of directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain directors
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, key managerial personnel and material risk indicators involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Bank and its goals and in accordance with extant guidelines of the RBI
- b. Formulating criteria for evaluation of performance of independent directors and the Board of Directors;
- c. To ensure 'fit and proper' status of proposed/existing Directors;
- d. Devising a policy on diversity of Board of Directors;
- e. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Bank shall disclose the remuneration policy and the evaluation criteria in its annual report;
- f. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- g. Recommending to the board, all remuneration, in whatever form, payable to whole time directors and material risk takers.
- h. Administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Bank
- i. Carrying out any other function as is mandated by the Board from time to time and / or

- enforced/mandated by any statutory notification, amendment or modification, as may be applicable; and
- j. Performing such other functions as may be necessary or appropriate for the performance of its duties.

The role of the Nomination and Remuneration Committee:

Nomination:

- Making recommendations to the Board on the necessary and desirable competencies of directors to ensure that the Board has an appropriate mix of skills, experience, expertise and diversity to enable it to discharge its responsibilities and deliver the Company's corporate objectives;
- At the request of the Board, making recommendations for the appointment and re-election of directors;
- Prior to recommending a candidate for appointment to the Board, undertaking checks as to a candidate's character, experience, education, criminal record and bankruptcy history and any other checks it considers appropriate;
- Establishing and, at the request of the Board, reviewing induction programs for new directors and continuing education programs for all directors in order to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of: the industry within which the Company operates; the Company's financial, strategic, operational and risk management position; the culture and values of the Company; the rights, duties and responsibilities of the directors; the roles and responsibilities of the Company's senior management and its subsidiaries; the role of the Committees; meeting arrangements; and director interaction with each other, senior executives and other stakeholders;
- Regularly reviewing the time commitment required from a non-executive director and whether non-executive directors are meeting this requirement;
- Evaluating the performance of the Board, its Committees and directors in line with the processes approved by the Board from time to time;
- Developing, implementing and reviewing the Company's succession plans for membership of the Board to ensure: an appropriate balance of skills, experience expertise and diversity; and an appropriate structure and composition of the Board;
- Ensuring that all non-executive directors: specifically acknowledge to the Company prior to being submitted for election or re-election that they will have sufficient time to meet what is expected of them; and inform the Chairman of the Company and the Committee before accepting any new appointments as directors of other companies; and
- Making recommendations to the Board in respect of the membership and chairmanship of the Audit & Compliance Committee and Risk Management Committee.

Remuneration:

- Determining and agreeing with the Board a framework or broad policy for the remuneration of the Managing Director and such other senior executives as it is designated by the Board to consider. No individual shall be directly involved in deciding his or her own remuneration;
- In determining such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that senior executives of the Company are motivated to pursue the long-term growth and success of the Company within an appropriate control framework and that there is a clear relationship between senior executive performance and remuneration;
- Within the terms of the agreed policy, determining the total individual remuneration package of each senior executive ensuring an appropriate balance between fixed and incentive pay including, where appropriate, bonuses, incentive payments and shares or share options to reflect the short and long-term performance objectives appropriate to the Company's circumstances and goals;

- Determining the Company's recruitment, retention and termination policies and procedures for senior executives;
- Determining the policy for any incentive schemes to be operated by the Company and asking the Board, when appropriate, to seek shareholder approval for such schemes. The terms of any equity based remuneration schemes shall prohibit entering into transactions or arrangements which limit the economic risk of participating in unvested entitlements under these schemes;
- Determining the policy for superannuation arrangements for the Company's employees;
- Determining a framework or broad policy for the remuneration of the non-executive directors of the Company;
- Reviewing and reporting to the Board on the remuneration of directors, senior executives and all employees of the Company based on gender; and
- Reviewing and approving the corporate governance section of the Company's annual report.

Diversity:

- Ensuring that all decisions, frameworks and policies regarding nomination and remuneration are made giving regard to the Company's objectives in respect of promoting and maintaining diversity throughout the Company and on the Board;
- Reviewing, developing and making recommendations to the Board and, in particular, establishing measurable objectives to promote and maintain diversity throughout the Company and on the Board; and
- On at least an annual basis, reviewing and reporting to the Board on: the Company's progress
 against the measurable objectives set by the Board for achieving greater gender diversity; and the
 Company's compliance with the Diversity Policy, and where necessary, making recommendations to
 the Board on any changes to the Diversity Policy or the measurable objectives for achieving greater
 gender diversity.

RISK MANAGEMENT COMMITTEE:

As on 31st March 2022, the composition of the Risk Management Committee was as follows:

Mr. Vikram Gandhi – Committee Chairman

Mr. Ajay Kanwal

Mr. R. Ramaseshan

Mr. Eugene Karthak

Mr. Rahul Khosla

Dr. Subhash C. Khuntia

The Committee met 4 (Four) times during the year under review. The dates of the meeting were 12th May 2021, 7th September 2021, 11th November 2021 and 8th February 2022.

Terms of reference of the Committee:

The Committee of the Bank will be governed by the terms of reference as specified by SEBI LODR Regulations and applicable provisions of Banking Regulation Act, 1949 (As amended), applicable RBI guidelines/circulars/notifications issued from time to time and any other applicable law or enactment for the time being in force and issued by Board from time to time.

a. To ensure that all the current and future material risk exposures of the Bank are assessed, identified, quantified, appropriately mitigated and managed;

- b. To establish a framework for the risk management process and to ensure its implementation in the Bank;
- c. To ensure that the Bank is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
- d. Review and recommend changes, from time to time, to the Risk Management plan and/or associated frameworks, processes and practices of the Bank;
- e. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices;
- f. Perform other activities related to this charter as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.
- g. Evaluate overall risks faced by the bank and determining the level of risks which will be in the best interest of the bank.
- h. Identify, monitor and measure the risk profile of the bank.
- i. Develop policies and procedures, verify the models that are used for pricing complex products, review the risk models as development takes place in the markets and also identify new risks.
- j. Design stress scenarios to measure the impact of unusual market conditions and monitor variance between the actual volatility of portfolio value and that predicted by the risk measures.
- k. Monitor compliance of various risk parameters by operating Departments.
- l. Review the outsourcing functions of the Bank
- m. Review of risk management practices, procedures and systems to ensure that same are adequate to limit all potential risks, faced by the bank to prudent levels (Annually). (Risk Management Framework to be reviewed for adequacy).
- n. Limit Management Framework to be defined by outlining of the tolerance limits. Any exceptions and breaches to be reported on a quarterly basis.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Bank has constituted a Corporate Social Responsibility Committee with the following directors:

Mrs. Chitra Talwar - Committee Chairman

Dr. Subhash C. Khuntia

Mr. Ajay Kanwal

Mr. Rahul Khosla

The Committee did not meet during the year under review.

The terms of reference of the committee include:

- a. Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Bank in areas or subject specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder:
- b. Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Bank in the three immediately preceding financial years;
- c. Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Bank;
- d. Monitoring the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- e. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- f. Identifying and appointing the corporate social responsibility team of the Bank including corporate social responsibility manager, wherever required; and
- g. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Bank."

INFORMATION TECHNOLOGY STRATEGY COMMITTEE:

The Bank has constituted an Information Technology Strategy Committee with the following directors:

Ms. Chitra Talwar (Committee Chairman)

Dr. Subhash C. Khuntia

Mr. Ajay Kanwal

Mr. Vikram Gandhi

Mr. R. Ramaseshan

The Committee met 4 (Four) times during the year under review. The dates of the meeting were 12th May 2021, 7th September 2021, 11th November 2021 and 8th February 2022.

Terms of reference:

The Committee is governed by the terms of reference as specified by RBI circulars issued from time to time.

- 1. To approve IT strategy and policy documents
- 2. To ensure that management has an effective strategic planning process
- 3. To ensure that IT strategy is aligned with business strategy
- 4. To ensure that investments in Information Technology represent a balance of risks and benefits for sustaining Bank's growth and within the acceptable budget.
- 5. To monitor IT resources required to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
- 6. To oversee implementation of processes and practices and ensuring that maximum value is delivered to business
- 7. To ensure that all critical projects have a component for 'project risk management' from IT perspective (by defining project success measures and following up progress on IT projects).
- 8. To define and ensure effective implementation of standards of IT Governance, Business Continuity and Data Governance.
- 9. To ensure that there is an appropriate framework of information security risk assessment within the Bank.

CUSTOMER SERVICE COMMITTEE:

The Bank has constituted a Customer Service Committee with the following directors:

Ms. Chitra Talwar (Committee Chairman)

Dr. Subhash C. Khuntia

Mr. Ajay Kanwal

Mr. Vikram Gandhi

The Committee met 4 (Four) times during the year under review. The dates of the meeting were 12th May 2021, 7th September 2021, 11th November 2021 and 8th February 2022.

The terms of reference of the Customer Service Committee include:

- 1) To review the level of customer service in the Bank including customer complaints and the nature of their resolution;
- 2) To provide guidance in improving the level of customer service;
- 3) To ensure that the Bank provides and continues to provide best-in-class services across all its category of customers to help the Bank in protecting and growing its brand equity;

- 4) To formulate a comprehensive Deposit Policy incorporating issues such as death of a depositor for operations of his/her accounts, annual survey of depositor satisfaction, product approval process and triennial audit of customer services;
- 5) To oversee the functioning of the internal committee for customer service;
- 6) To evolve innovative measures for enhancing the quality of customer service and improving the overall satisfaction level of customers.
- 7) To ensure implementation of directives received from RBI with respect to rendering of services to Bank customers

The key roles & responsibilities of the Committee are provided below:

- 1. Approving the various policies that relate to customer service; examples thereof include and are not limited to:
 - Comprehensive Deposit Policy
 - Cheque Collection Policy
 - Customer Compensation Policy
 - Customer Grievance Redressal Policy
- 2. Reviewing metrics and indicators that provide information on the state of customer service in the Bank; providing direction to the management of the Bank on actions to be taken to improve the metrics;
- 3. Reviewing the actions taken/ being taken by the Bank to standardize the delivery of customer experience across all branches;
- 4. Reviewing results of the surveys conducted that provide quantitative and qualitative information on the state of customer experience;
- 5. Providing inputs on the products introduced by the Bank with a view to ensure suitability and appropriateness;
- 6. Monitoring the implementation of the Banking Ombudsman Scheme with particular reference to:
- Reviewing all the awards against the Bank with a focus on identifying issues of systemic deficiencies and the Bank's plan to address these deficiencies;
- Reviewing all awards that remain unimplemented after 3 months from the date of the award with the reasons thereof; to report to the Board such delays in implementation without valid reasons and for initiating remedial action;
- 7. Review, on an overall basis, the customer service aspects in the Bank on the basis of the detailed memorandum submitted in this regard and report to the Board of Directors thereafter; this is done once every six months and based on the review, the Committee will direct the Bank to initiate prompt corrective action wherever service quality / skills gaps have been noticed;
- 8. Monitoring the activities of the Standing Committee on Customer Service (executive level committee) on a quarterly basis;

COMMITTEE FOR MONITORING LARGE VALUE FRAUDS

The Bank has constituted a Committee for monitoring large value frauds with the following directors:

Mr. Ramesh Ramanathan (Committee Chairman)

Mr. Ajay Kanwal

Mr. R Ramaseshan

Ms. Chitra Talwar

The Committee did met 1 (one) time during the year under review. The date of meeting was 29th October 2021.

The terms of reference of the Committee are as under:

- a. Identify the systemic lacunae, if any, that facilitated perpetration of the fraud and put in place measures to plug the same;
- b. Identify the reasons for delay in detection, if any, reporting to top management of the Bank and RBI;
- c. Monitor progress of CBI / Police Investigation and recovery position;
- d. Ensure that staff accountability is examined at all levels in all the cases of frauds and staff side action, if required, is completed quickly without loss of time;
- e. Review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls;
- f. Put in place other measures as may be considered relevant to strengthen detective and preventive measures against frauds;

CREDIT COMMITTEE

The Bank has constituted a Credit Committee with the following directors:

Mr. Ramesh Ramanathan

Mr. Vikram Gandhi

Ms. Chitra Talwar

The Committee met 4 (Four) times during the year under review. The dates of the meeting were 12th May 2021, 7th September 2021, 11th November 2021 and 8th February 2022.

The terms of reference of the Committee are as under:

- 1) Review credits approved by the Credit Approval Committee of the Bank under its authority
- 2) Approve credits beyond the authority of the Credit Approval Committee of the Bank.

WILLFUL DEFAULTERS COMMITTEE

The Bank has constituted a Willful Defaulters Committee with the following directors:

Mr. Ajay Kanwal - Committee Chairman

Mr. R. Ramaseshan

Ms. Chitra Talwar

Mr. Eugene Karthak

The Committee did not met during the year under review.

The terms of reference of the Committee are as under:

The Committee of the Bank will be governed by the terms of reference as specified by RBI Circular issued from time to time and issued by Board from time to time.

To review the order of the executive level committee that identifies accounts to be reported as willful default to comply with the regulatory guidelines. The Order shall become final only after it is confirmed by the Review Committee.

IPO COMMITTEE

The Bank has constituted an IPO Committee with the following directors:

Mr. Rahul Khosla - Committee Chairman

Dr. Subhash C. Khuntia

Mr. Ajay Kanwal

Mr. Ramesh Ramanathan

The Committee did not met during the year under review.

The terms of reference of the Committee are as under:

- a. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, the RBI, SEBI, the relevant registrar of companies and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications/ amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;
- b. To finalize, settle, approve, adopt and file in consultation with the BRLMs where applicable, the DRHP, the RHP, the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/ corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;
- c. To decide in consultation with the BRLMs on the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band (including offer price for anchor investors), bid period, Offer price, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;
- d. To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, public offer account bank, sponsor bank, advertising agency, legal advisors, auditors, and any other agencies or persons or intermediaries to the Offer, including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs;
- e. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies/ intermediaries in connection with the Offer with the power to authorise one or more officers of the Bank to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;
- f. To seek, if required, the consent and/or waiver of the lenders of the Bank, customers, parties with whom the Bank has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;
- g. To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Bank to execute all documents / deeds as may be necessary in this regard;
- h. To open and operate bank accounts of the Bank in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Bank to execute all documents/ deeds as may be necessary in this regard;
- i. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

- j. To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;
- k. To approve code of conduct as may be considered necessary by the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Bank and other employees of the Bank;
- To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Bank with the relevant stock exchanges, to the extent allowed under law;
- m. To issue receipts/ allotment letters/ confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Bank with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Bank to sign all or any of the afore stated documents;
- n. To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- o. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/ confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;
- p. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and/ or modify, as the case maybe, agreements and/ or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Bank to execute all or any of the aforestated documents;
- q. To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Bank where necessary;
- r. To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;
- s. To submit undertaking/ certificates or provide clarifications to the SEBI, Registrar of Companies, Karnataka at Bengaluruand the relevant stock exchange(s) where the Equity Shares are to be listed;
- t. To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the Listing Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the Listing Committee shall be conclusive evidence of the authority of the Listing Committee in so doing;
- u. To delegate any of its powers set out under (a) to (q) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Bank;
- v. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;
- w. To approve the list of 'group of companies' of the Bank, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;
- Deciding, negotiating and finalising the pricing and all other related matters regarding the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;
- y. taking on record the approval of the Selling Shareholders for offering their Equity Shares in the Offer for Sale:
- z. to withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLMs; and
- aa. To appoint, in consultation with the BRLMs, the registrar and other intermediaries to the Offer, in accordance with the provisions of the SEBI Regulations and other Applicable Laws including legal counsels, banks or agencies concerned and entering into any agreements or other instruments for such

purpose, to remunerate all such intermediaries/ agencies including the payments of commissions, brokerages, etc. and to terminate any agreements or arrangements with such intermediaries/ agents."

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Bank has constituted a Stakeholders Relationship Committee with the following directors:

Dr. Subhash C. Khuntia

Mr. Ajay Kanwal

Mr. Eugene Karthak

The Committee did not met during the year under review since there were NIL complaints/grievances received from the stakeholders. Further there were no request for transfer/transmission during the year under review since all the securities were held in dematerialised mode.

The terms of reference of the Committee are as under:

Terms of reference of the Stakeholders Relationship Committee shall include the following:

- a. To resolve the grievances of the security holders of the Bank including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints.
- b. To review of measures taken for effective exercise of voting rights by shareholders.
- c. To review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d. To review of the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Bank.
- e. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- f. To redress of shareholders' and investors' complaints/ grievances such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
- g. To approve, register, refuse to register transfer or transmission of shares and other securities;
- h. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Bank;
- i. Allotment and listing of shares, approval of transfer or transmission of shares, debentures or any other securities;
- i. To authorise affixation of common seal of the Bank;
- k. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Bank after split/consolidation/rematerialization and in Replacement of those which are defaced, mutilated, torn or old, decrepit, worn out or where the pages on reverse for recording transfers have been utilized;
- l. To approve the transmission of shares or other securities arising as a result of death of the sole/ any joint shareholder;
- m. To dematerialize or rematerialize the issued shares;
- n. To Ensure proper and timely attendance and redressal of investor queries and grievances;
- o. To carry out any other functions contained in the SEBI Listing Regulations, Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- p. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

MEETING OF INDEPENDENT DIRECTORS:

Independent Directors of the Bank met during the year on 5th March 2022 to review the performance of non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Board and had accessed the quality, quantity and timeliness of flow of information between the bank management and the Board.

During the financial year ended 31st March, 2022 independent directors did not have any pecuniary relationship with the Bank; neither did they have any transactions with the Bank.

ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING:

The details of the Annual General Meetings / Extraordinary General Meeting held in the last three years are as follows:

General Body	Date, Time & Venue			Special	Resolution
Meeting 15 th Annual General	10th August 2021 at 11.00 am at the	passe 3	÷u		
	19th August 2021 at 11:00 a.m. at the	3			
Meeting	registered office address: The Fairway				
	Business Park, # 10/1, 11/2 & 12/2B Off				
	Domlur, Koramangala Inner Ring road,				
	Next to EGL Business Park, Challaghatta,				
E to Oallow	Bengaluru – 560071	4			
Extra – Ordinary	25th March 2021 at 11:00 a.m. at the	4			
General Meeting	registered office address : "The Fairway				
	Business Park, # 10/1, 11/2 & 12/2B Off				
	Domlur, Koramangala Inner Ring road,				
	Next to EGL Business Park, Challaghatta,				
111 1 10 1	Bengaluru – 560071				
14 th Annual General	5-Jun-2020 at 11:00 a.m. at the	1			
Meeting	registered office address : The Fairway				
	Business Park, # 10/1, 11/2 & 12/2B Off				
	Domlur, Koramangala Inner Ring road,				
	Next to EGL Business Park, Challaghatta,				
	Bengaluru – 560071				
Extra - Ordinary	16-0ct-2019 at 4:30 p.m. at the	2			
General Meeting	registered office address : "The Fairway				
	Business Park, # 10/1, 11/2 & 12/2B Off				
	Domlur, Koramangala Inner Ring road,				
	Next to EGL Business Park, Challaghatta,				
	Bengaluru – 560071				
13 th Annual General	28-Jun-2019 at 11:00 a.m. at the	NIL			
Meeting	registered office address : The Fairway				
	Business Park, # 10/1, 11/2 & 12/2B Off				
	Domlur, Koramangala Inner Ring road,				
	Next to EGL Business Park, Challaghatta,				
	Bengaluru – 560071				
Extra - Ordinary	30-May-2019 at 4:30 p.m. at the	1			
General Meeting	registered office address : "The Fairway				
	Business Park, # 10/1, 11/2 & 12/2B Off				
	Domlur, Koramangala Inner Ring road,				
	Next to EGL Business Park, Challaghatta,				
	Bengaluru – 560071				

WHISTLE BLOWER POLICY

The Bank has a whistle blower policy, which was approved by the Board on 8^{th} Feb 2018. The policy provides a whistle blowing route to employees, including part time, temporary and contract employees and directors of the organisation.

Summary of the policy:

- The policy defines the incidents that are required to be reported by a whistle blower, the concerns and safeguards to the whistle blower.
- The procedure for raising an issue under the policy as well as the investigation process and reporting of the whistle blowing incidents are detailed in the policy.

CEO and CFO Certificate:

A certificate dated 17th May, 2022 pursuant to the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II thereof, from the Managing Director & CEO and the Chief Financial Officer on the financial statements of the Bank for the financial year ended 31st March 2022, was placed before the Board at its meeting held on 17th May, 2022.

Code of Conduct:

The Bank has laid down Code of Conduct for Board of Directors and Senior Management. The same is available on the website of the Bank at www.janabank.com.

Certificate by the Managing Director & Chief Executive Officer of the Bank regarding compliance with the Code of Conduct for Directors and Senior Management is given below:

This is to confirm that:

The Bank has obtained from the Directors and Senior Management personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Bank for of the financial year ended 31stMarch, 2022.

COMPLIANCES:

There have been no instances of non-compliance by the Bank on any matter related to capital markets, nor have any penalty/strictures been imposed on the Bank by the Registrar of Companies, Reserve Bank of India, Stock Exchanges or SEBI or any other statutory authority on such matters.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date and time:	30 th May 2022		
Venue:	"The Fairway Business Park", # 10/1, 11/2 & 12/2B Off		
	Domlur, Koramangala Inner Ring road, Next to EGL Business		
	Park, Challaghatta, Bengaluru – 560071		

Shareholding Pattern as on 31^{st} March 2022

Sr No.	Name of the Equity Shareholder	No of Shares	% holding
	Domestic Investor		
1	Jana Holdings Limited	2,20,25,797	42.84%
2	QRG Enterprises Limited	9,86,216	1.92%
3	Vallabh Bhanshali	1,19,410	0.23%
4	Enam Securities Private Limited	4,290	0.01%
5	Badri Narayan Pilinja	1,15,195	0.22%
6	Vallabh Bhanshali HUF	1,99,958	0.39%
7	Growth Partnership II Shiv Shankar Co-investment Trust	1,995	0.004%
8	Growth Partnership II Ajay Tandon Co-investment Trust	825	0.002%
9	Bajaj Allianz Life Insurance Company Ltd	10,84,128	2.11%
10	Bajaj Allianz General Insurance Company Ltd - Policyholder Fund	2,52,963	0.49%
11	Bajaj Allianz General Insurance Company Limited - Shareholder Fund	1,08,413	0.21%
12	ICICI Prudential Life Insurance Company Ltd	11,07,639	2.15%
13	ICICI Lombard General Insurance Company Ltd	3,61,376	0.70%
14	Hero Enterprise Partner Ventures	5,61,647	1.09%
15	Ashwin Khorana	650	0.0013%
16	Venkatesh Iyer S	509	0.0010%
17	Debdoot Banerjee	229	0.0004%
18	Ananth Kumar M S	289	0.0006%
19	Harnath Kummamuru	262	0.0005%
20	Ajay Pareek	7,228	0.0141%
21	Alexander John	578	0.0011%
22	Vidyasagar Bedida	431	0.0008%
23	Amit Raj Bakshi	417	0.0008%
24	Ravi Duvvuru	1,031	0.0020%
25	Sandeep Arora	1,419	0.0028%
26	Amit Lamba	434	0.0008%
	Foreign Investor		
27	TPG Asia VI SF Pte. Ltd	50,26,499	9.78%
28	North Haven Private Equity Asia Platinum Pte. Ltd	41,47,427	8.07%
29	Caladium Investment Pte. Ltd	7,62,608	1.48%
30	Client Rosehill Limited	17,57,755	3.42%
31	Alpha TC Holdings Pte Ltd	17,48,975	3.40%
32	CVCI GP II Employee Rosehill Limited	9,84,455	1.91%
33	Treeline Asia Master Fund (Singapore) Pte. Ltd.	16,52,101	3.21%
34	Global Financial Inclusion Fund	1,41,285	0.27%
35	HarbourVest Partners Co-Investment Fund IV L.P.	22,66,940	4.41%
36	HarbourVest Partners Co-Investment IV AIF L.P.	5,95,353	1.16%
37	HarbourVest Skew Base AIF L.P.	70,469	0.14%
38	HIPEP VIII Partnership Fund L.P.	2,74,778	0.53%
39	HIPEP VIII Partnership AIF L.P.	1,83,186	0.36%
40	HarbourVest Asia Pacific Fund VIII L.P.	40,070	0.08%
41	HarbourVest Asia Pacific VIII AIF L.P.	74,418	0.14%

42	HarbourVest Co-Investment Opportunities Fund L.P	2,86,229	0.56%
43	HarbourVest Co-Invest 2017 Private Equity Partners L.P.	5,72,456	1.11%
44	The Maple Fund L.P.	5,72,456	1.11%
45	Manipal Research & Management Services International	1,56,500	0.30%
46	Amansa Holdings Pte. Ltd	31,54,275	6.14%
	Total	5,14,11,564	100.00%
Sr No.	Name of the Compulsorily Convertible Preference Shares	No of Shares	% holding
	Domestic Investor		
1	Hero Enterprise Partner Ventures	15,00,00,000	100.00%
	Total	15,00,00,000	

Dr. Subhash C Khuntia Non Executive Chairman Ajay Kanwal MD & CEO

Date: 17-May-2022

Sethentia



Form No. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[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]

Tο,

The Members,

Jana Small Finance Bank Limited

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Jana Small Finance Bank Limited (hereinafter called the company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance's and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

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

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [Not Applicable];
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Applicable to the extent of filing of Draft Red Herring Prospectus];
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 applicable till August 12, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 applicable from August 13, 2021) [Not Applicable];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 applicable till August 08, 2021 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 applicable from August 09, 2021;
- (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];
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 applicable till June 09, 2021 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021 applicable from June 10, 2021 [Not Applicable]; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not Applicable];
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [To the extent Applicable to Non-Convertible Debentures and High Value Debt listed entity].

- (vi) The Laws as are applicable specifically to the Company are as under,
 - a) The Reserve Bank of India (RBI) Act, 1934;
 - b) The Banking Regulation Act, 1949;
 - c) "Operating Guidelines for Small Finance Banks" issued by RBI on October 6, 2016 ("SFB Operating Guidelines").
 - d) Prevention of Money-Laundering Act (PMLA), 2002 and The Prevention of Money-Laundering (Maintenance of Records, etc) Rules, 2005;
 - e) FEMA Rules, Regulations and notifications issued from time to time;
 - f) Indian Stamp Act, 1899 and State Stamp Acts.
 - g) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
 - h) Shops and Establishments Act applicable under various states and
 - i) The Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015).
- (ii) The Listing Agreements entered into by the Company with BSE Limited [BSE];

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of directors that took place during the period under review were carried out in compliance with the provisions of the Act 20*41

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

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were Unanimous and no dissenting views have been recorded.

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

I further report that:

- 1. As per the Small Finance Bank Licensing Guidelines issued by the Reserve Bank of India ("RBI"), Equity Shares of the Bank are required to be listed on a Stock Exchange 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. The Bank has received SEBI observation letter dated July 9, 2021, which stated that "The proposed issue can open for subscription within period of 12 months from the date of issuance of this observation letter".
- 2. The Adjudication Committee of the Executive Directors (Committee) of RBI had conducted an Inspection and issued a Show Cause Notice for Violations of RBI Master Direction No. DBR.Dir.No.84/13.03.00/2015-16 dated March 03, 2016, on non-compliance with directions issued by the RBI on "Interest Rate on Deposits". The Committee on November 24, 2021 passed the following order:
 - "Taking into account the specific facts and circumstances of the matter and corrective action taken by the bank, it is decided to take a lenient view and not to impose monetary penalty on the bank"
- 3. As per the regulation 15 of the SEBI (LODR) Regulations, 2015, Regulation 16 to Regulation 27 have been made applicable to the company on a 'comply or explain' basis until March 31, 2023. Accordingly, the Company needs to comply or explain the reasons of non-convening the meeting of the Stakeholders Relationship Committee for the period under review.

I further report that, during the audit period the company has in compliance with the Act:

i. The Company has altered the Article on 19th August 2021 by adopting new set of Articles of Association of the Company 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.

ii. The Company has issued 49,55,810 to Jana Holdings Limited at a subscription price of Rs.968.56 on a Preferential Issue basis.

The Company has passed Special Resolution for raising funds through issue of Debt instruments from eligible investors of an amount not exceeding Rs. 500 Crore in FY 2021-22.

Nagendra D. Rao Practising Company Secretary Membership No. FCS - 5553 Certificate of Practice - 7731

Peer Reviewed Unit Peer Review Certificate No.: 672/2020 UDIN: F005553D000334222

> "Vagdevi", 543/A, 7th Main, 3rd Cross, S.L.Bhyrappa Road, Hanumanthnagar, Bengaluru – 560 019.

Place: Bengaluru Date: May 17, 2022

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



Annexure - 1

To.

The Members

Jana Small Finance Bank Limited

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

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

- 1. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 2. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
- 3. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

Place: Bengaluru

Date: May 17, 2022

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Nagendra D. Rao

Practising Company Secretary

Membership No. FCS - 5553 Certificate of Practice - 7731

Peer Reviewed Unit

Peer Review Certificate No.: 672/2020

UDIN: F005553D000334222

JANA SMALL FINANCE BANK LIMITED Balance Sheet as at March 31, 2022

			(* In 000's)
	Schedule	As at 31.03.2022 (Audited)	As at 31,03.2021 (Audited)
CAPITAL AND LIABILITIES			
Capital	1	20,14,116	20,07,273
Reserves and surplus	2	99,92,874	92,61,506
Deposits	3	13,54,02,021	12,38,59,27
Borrowings	4	4,50,98,320	4,81,53,19
Other liabilities and provisions	5	93,79,801	76,27,809
TOTAL		20,18,87,132	19,09,09,05
ASSETS			
Cash and balances with Reserve Bank of India	6	60,00,194	46,22,87
Balances with banks and money at call and short notice	7	93,70,728	1,79,74,840
Investments		5,06,52,606	4,69,77,85
Advances	9	13,00,66,792	11,61,19,17
Fixed assets	10	17,16,470	21,20,57
Other assets	11	40,80,342	30,93,74
TOTAL		20,18,87,132	19,09,09,05
Contingent liabilities Bills for collection	12	4,17,430	4,74,594

Significant accounting policies and notes to the financial

17 & 18

statements

The schedules referred to above form an integral part of the Financial Statements

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.107122W/W100672

For and on behalf of the Board of Directors

Dr. Subhash Khuntia

Part-time Chairman 10712547 DIN: 05344972) M4009\3

KINGGA

Managing Director & CEO DIN: 07686434

Ajaykanwai

MivaneshTharashanke

Chief Financial Officer

Ramesh Ramanathan **birector** DIN: 00163276

For Brahmayya & Co., **Chartered Accountants** ICAI Firm Registration No:000515S

Membership Number: 04457

Mumbai, May 17, 2022

Lakshmi R N

Company Secretary

علندي G. Srinivas

Sanjay Khemani

Partner

Partner

Membership No: 086761

Bengaluru May 17, 2022

Bengaluru, May 17, 2022





Profit and Loss Account for the year ended March 31, 2022

110/110/110			(₹ in 000's)
PARTICULARS	Schedule	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
I. INCOME		1	
Interest earned	13	2,72,65,351	2,49,77,080
Other income	14	32,37,632	23,50,801
TOTAL		3,05,02,983	2,73,27,881
II. EXPENDITURE		Delevives and	
Interest expended	15	1,33,67,509	1,23,45,784
Operating expenses	16	1,13,88,210	1,04,73,113
Provisions and contingencies		56,93,206	36,65,922
TOTAL	ngalanda kalaka a ca ca ca ca a ngalang bi i engan si bahanang ngangang atawa	3,04,48,925	2,64,84,819
III. PROFIT/(LOSS)		į	
Net profit for the year		54,058	8,43,062
Balance in Profit/(loss) brought forward	<u> </u>	(4,08,31,582)	(4,12,66,476)
TOTAL		(4,07,77,524)	(4,04,23,414)
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		13,497	2,10,766
Transfer to Capital Reserve	ļ	30,546	31,436
Transfer to Investment Reserve Account		2,937	~
Transfer to Investment Fluctuation Reserve	L.	5,794	1,65,966
Balance carried over to Balance Sheet		(4,08,30,298)	(4,08,31,582)
V. EARNINGS PER EQUITY SHARE			n - Carlo - Marie
(Face value of per share ₹ 10 per share)			
Basic (<)		1.06	16.62
Diluted (₹)		0.99	15.70

Significant accounting policies and notes to the financial The schedules referred to above form an integral part of the Financial Statements

17 & 18

As per our report of even date

Membership Number: 044577

Mumbal, May 17, 2022

For Brahmayya & Co., **Chartered Accountants** ICAI Firm Registration No:000515S

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.107122W/W100672

For and on behalf of the Board of Directors

Ajay Kanwal

Managing Director & CEO DIN/07886434

Chief Financial Officer

Dr. Subhash Khuntia Part-time Chairman

DIN: 05344972

Ramesh Ramahathan Director

DIN: 00163276

Lakshmi R N Company Secretary

G. Srinivas

Sanjay Khemani Partner

Partner

Membership No: 086761

Bengaluru, May 17, 2022

Bengaluru, May 17, 2022





JANA SMALL FINANCE BANK LIMITED Cash Flow Statement for the year ended March 31, 2022

	the control of the co	and the contract of the contra	and the second of the second o	(₹ in 000°
	Particulars		Year ended	Year ended
	rarticulars		31.03.2022	31.03.2021
Α.	Cash flow from operating activities		(Audited)	(Audited)
	Net profit before taxes			
	Adjustments for:		54,058	8,43,062
	Depreciation on bank's property			
	Loss on sale of fixed assets		8,08,153	8,26,769
	Employee stock option expenses		2,076	77,344
	Provision for non performing assets		24,194	(9,654
	Bad debts written off		2,87,048	5,88,846
	Provision for standard assets (including standard restructured acc		58,53,286	23,27,031
	Premium amortisation on HTM investments	ountsj	(4,57,705)	7,82,291
	Operating profit before working capital changes		29,447	44,952
	and the same of th	(i)	66,00,557	54,80,641
	Movement in working capital			
	(increase)/Decrease in investments		91,93,454	(82,89,710
	(Increase)/Decrease in advances		(1,96,30,069)	(2,02,51,232
	Increase/(Decrease) in deposits		1,15,42,740	
	(Increase)/Decrease in other assets		(10,14,265)	2,73,39,802
	(Increase)/Decrease in lien marked fixed deposits		1,14,007	(3,53,605
	Increase/(Decrease) in other liabilities and provisions		17,52,002	(1,35,793)
	Net change in working capital	(11)	19,57,869	24,03,697
		11	15,57,605	7,13,159
	Direct taxes (paid)/refund	(111)	27,669	[44 420]
	Net cash flow from operating activities (i)+(ii)+(iii)	(A)	85,86,095	(41,439)
		1, 4	05,00,033	61,52,361
	Cash flow used in investing activities			
	Purchase of fixed assets		(4,08,420)	(4 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
	Proceeds from sale of fixed assets		2,291	(4,27,243)
	(Increase)/Decrease of held-to-maturity securities		1 ' 1	2,721
1	Net cash (used in) investing activities	(8)	(1,28,97,555) (1,33,03,684)	(1,22,32,744)
		int	(1,33,03,084)	(1,26,57,266)







Cash Flow Statement for the year ended March 31, 2022

(₹ in 000's)

	Particulars		Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
C.	Cash Flow from financing activities	***************************************		
	Proceeds from issue of equity shares		6,843	87
	Securities premium received		6,53,131	-
	Proceeds from issue of Tier II capital bonds		5,00,000	
	Increase / (decrease) in other borrowings	Ì	(35,55,168)	1,91,66,364
	Net cash used in financing activities	(C)	(23,95,194)	1,91,66,451
 	Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)		(71,12,783)	1,26,61,546
	Cash and cash equivalents as at beginning of the period/year (refer not	e 2 & 3)	2,24,61,919	98,00,373
]	Cash and cash equivalents as at end of the year (refer note 2 & 3)	•	1,53,49,136	2,24,61,919

Notes:

- 1. The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014 and Companies (Accounting Standards) Rules, 2021.
- 2. Cash and Cash Equivalents comprises of 'Cash & Balances with Reserve Bank of India (Schedule 6)' and 'Balances with Banks and Money at Call and Short Notice (Schedule 7)'.
- 3. Cash and Cash Equivalents excludes lien marked Deposits of ₹ 2.18 crores and ₹ 13.58 crores respectively as on March 31, 2022 and March 31, 2021.

As per our report of even date

For M M Nissim & Co LLP

Chartered Accountants

ICAI Firm Registration No.107122W/W100672

Sanjay Khemani

Partner

Membership Number: 044577

Mumbai, May 17, 2022

For Brahmayya & Co., **Chartered Accountants**

ICAI Firm Registration No:000515S

G. Srinivas Partner

Membership No: 086761

Bengaluru, May 17, 2022

Chartered Accountants For and on behalf of the Board of Directors

Ajay Kanwal

Managing Director & CEO

Suvanesh Tharashankar Chief Financial Officer

DIN: #7886434

Ramesh Ramanathan

Dr. Subhash Khuntia

Part-time Chairman

DIN: 05344972

Director

DIN: 00163276

Lakshmi R N Company Secretary

Bengaluru, May 17, 2022



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

	(₹ in 000's)		
PARTICULARS	As at 31.03,2022 (Audited)	As at 31.03.2021 (Audited)	
SCHEDULE 1 - CAPITAL	(103,12,0)	(Magrea)	
Authorised Capital			
Equity			
100,000,000 (March 31, 2021: 100,000,000) Equity Shares of ₹ 10 each	10,00,000	10,00,000	
250,000,000 (March 31, 2021: 250,000,000) Preference Shares of ₹ 10 each			
	25,00,000	25,00,000	
issued, Subscribed, Calledup and Pald-Up Capital			
Equity			
51,411,564 (March 31, 2021: 50,727,257) Equity Shares of ₹ 10 each fully paid up	5,14,116	5,07,273	
i			
150,000,000 (31 March 2021: 150,000,000) 16% Non-Cumulative Compulsorily Convertible	46.00.		
Preference Shares of ₹ 10 each fully paid up	15,00,000	15,00,000	
TOTAL		**************************************	
	20,14,116	20,07,273	
SCHEDULE 2 - RESERVES AND SURPLUS		ļ	
I. STATUTORY RESERVE	****		
Opening balance	12 27 621	40.00.00	
Add: Additions during the year	12,37,531 13,497	10,26,765	
Less: Deductions during the year	1.0,431	2,10,766	
TOTAL	12,51,028	12,37,531	
II. CAPITAL RESERVE			
Opening balance	1.50.520		
Add: Additions during the year	1,69,528 30,546	1,38,092	
Less: Deductions during the year	30,340	31,436	
TOTAL	2,00,074	1,69,528	
II. SHARE PREMIUM		***************************************	
Opening balance	4.91.00.134	101 77 700	
Add: Additions during the year	4,81,89,124 6,56,367	4,81,77,238	
Less: Deductions during the year	0,30,,007	11,886	
OTAL	4,88,45,491	4,81,89,124	
V. GENERAL RESERVE			
Opening balance			
Add: Additions during the year	1,44,101	1,44,101	
Less: Deductions during the year		•	
OTAL	1,44,101	1,44,101	
. INVESTMENT RESERVE		2,74,201	
Opening balance			
Add: Additions during the year	2,937	.	
Less: Deductions during the year	2,301		
OTAL .	2,937	,	
. INVESTMENT FLUCTUATION RESERVE			
Opening balance	7 47 111		
Add: Additions during the year	2,12,323	46,357	
Less: Deductions during the year	5,794	1,65,966	
PTAL			







JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

	The State of the S	(₹ in 000's)
PARTICULARS	As at 31.03.2022 (Audited)	As at 31.03.2021 (Aud(ted)
VII. EMPLOYEE STOCK OPTIONS RESERVE		A Comment of the state of the s
Opening balance	1,40,481	1 65 67.
Add: Employee Stock Option expense during the year	24,194	1,62,074 (9,719)
Less: Transfer to Share Capital / Securities Premium on exercise of stock options	(3,251)	(11,874)
TO AL	1,61,424	1,40,481
VIII. BALANCE IN PROFIT & LOSS ACCOUNT	(4,08,30,298)	(4,08,31,582)
TOTAL (I to VIII)	99,92,874	92,61,506
SCHEDULE 3 - DEPOSITS		The state of the s
A. I. Demand deposits		
i. From banks	6.02.260	# #0 000
ii. From others	6,92,268 70,06,299	5,39,933
	70,06,299	59,42,818
II. Savings bank deposits	2,28,29,265	1,42,78,065
III. Term deposits		
i. From banks	2,53,37,752	2,00,86,995
ii. From others	7,95,36,437	8,30,11,460
TOTAL (I to III)	13,54,02,021	12,38,59,271
B. I. Deposits of branches in India		/00/05/2/1
ii. Deposits of branches in India ii. Deposits of branches outside India	13,54,02,021	12,38,59,271
TOTAL (I to II)		
	13,54,02,021	12,38,59,271
SCHEDULE 4 - BORROWINGS		
. Borrowings in India		***************************************
a. Reserve Bank of India	80,00,000	
b. Other banks*	31,44,500	27 44 500
c. Other institutions and agencies^	3,39,53,820	57,44,500
	3,55,55,020	4,21,34,530
. Borrowings outside India	-	2,74,163
OTAL (I and II)	4,50,98,320	4,81,53,193
ecured Borrowings included in (I)(c) above is ₹ 13 crores (March 31, 2021: ₹ 73.92 crores)		41041401433
Includes Sub-ordinated debt (Tier II capital) ₹ 303 crores (March 31, 2021 • ₹ 343 crores)		
Includes sub-ordinated debt (Tier II capital) ₹ 153 crores (March 31, 2021: ₹ 358 crores)		



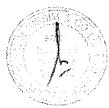




JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

The second secon	ta and a manager of the second	(₹ in 000's)
PARTICULARS	As at	As at
1 Statute Part Data Andreas Part Par	31.03.2022	31.03.2021
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS	(Audited)	(Audited)
I. Bills payable		
II. Inter office adjustments (net)	42,59,459	21,42,3
III. Interest accrued	-	22,72,5
IV. Others (Including provisions)	23,55,746	23,79,5
V. Standard Asset- General Provision	20,03,310	18,87,9
The state of the s	7,61,286	12,17,8
TOTAL (I to V)	93,79,801	79 00 19 19 19 19
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA	33,73,601	75,27,80
I. Cash in hand		
	7,78,170	6,16,26
II. Balances with Reserve Bank of India		-140/20
a. In Current account		
b. In Other accounts	52,22,024	40,06,61
OTAL (I to II)		-
Alenius	60,00,194	46,22,87
CHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
In India		
Balances with banks		
a) In Current accounts		
b) In Other deposit accounts*	48,942	1,47,199
	21,786	11,97,647
i) Money at call and short notice a) With banks		
b) With other institutions	_	*
c) Lending under reverse repo (Reserve Bank of India) OTAL (I to II)	93,00,000	1,66,30,000
TAL (LO II)	93,70,728	1,79,74,840
Outside India		
In Current accounts		
) In Other deposit accounts	-	•
Money at call and short notice	-	•
TAL (I to III)		<u> </u>
AND TOTAL (I to II)		***
CATACASA 21 2022	93,70,728	1.79.74.840

^{*} As of March 31, 2022, Includes deposit with banks of ₹ 2.18 crores lien marked towards guarantee issued by other banks on the behalf of the Bank. Further, as of March 31, 2021 includes deposit with banks of ₹ 13.58 crores lien marked towards borrowings from banks and financial institutions as security deposit & guarantee issued by other banks on the behalf of the Bank.







SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

As at As at 31.03.2022 31.03.2021 **PARTICULARS** (Audited) (Audited) SCHEDULE 8 - INVESTMENTS I. Investments in India (net of provisions) 4,97,27,381 4,69,77,852 i) Government securities ii) Other approved securities iii) Shares iv) Debentures and bonds v) Subsidiaries and/or joint ventures 9,25,225 vi) Others (Security Receipts) 4,69,77,852 5,06,52,606 TOTAL II. Investments Outside India TOTAL 4,69,77,852 5,06,52,606 GRAND TOTAL (I to II) III. Investments i) Gross value of investments 5,06,52,725 4,69,81,887 a) in India b) Outside India 4,69,81,887 5,06,52,725 Total ii) Depreciation/provision for investments 119 4,035 a) în India b) Outside India 119 4,035 Total iii) Net value of investments 4,69,77,852 5,06,52,606 a) In India b) Outside India 4,69,77,852 5,06,52,606 Total SCHEDULE 9 - ADVANCES (Net of Provisions) 13,79,679 46,000 A. I) Bills purchased and discounted 88,99,200 71,47,777 ii) Cash credits, overdrafts and loans repayable on demand 10,71,73,972 12,15,39,336 iii) Term loans 13,00,66,792 11,61,19,172 TOTAL 6,80,53,637 4,84,97,022 B. I) Secured by tangible assets * 11,21,643 25,86,380 II) Covered by bank/government guarantees 6,65,00,507 5,94,26,775 iii) Unsecured 13,00,66,792 11,61,19,172



* Including Advance against book debt

TOTAL

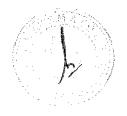




(4 in 000's)

JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

		(* in 000's)
PARTICULARS	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
C. I ADVANCES IN INDIA		***************************************
i) Priority sector*	9,64,35,285	8,12,30,231
ii) Public sector		
III) Banks	1,86,391	
iv) Others* * Priority cortoes includes ** 1 010	3,34,45,116	3,48,88,941
* Priority sectors includes * 1,010 crores (March 31, 2021: * Nil crores), in respect of which the Bank has sold Priority Sector Lending Certificates (PSLC). C. II ADVANCES OUTSIDE INDIA		
TOTAL	,	*
	13,00,66,792	11,61,19,172
5CHEDULE 10 - FIXED ASSETS		
I. Premises	-	-
Cost as at the end of the preceding year		,
li) Additions during the year		
lii) Deductions during the year	-	-
IV) Depreciation to date		
v) Capital Work in Progress		•
TOTAL	,	*
II. Other fixed assets (including furniture and fixtures)		
i) Cost as at the end of the preceding year		
ii) Additions during the year	64,40,273	61,73,859
, and feet	4,59,845	3,71,207
III) Deductions during the year	69,00,118	65,45,066
Iv) Depreciation to date	(2,13,931)	(1,04,793)
v) Capital Work in Progress	(49,81,490) 11,773	(43,32,199)
TOTAL*	17,16,470	12,496 21,20,570
*Includes leased assets of ₹ 13.22 crores (March 31, 2021: ₹ 18.45 crores)	17/10/470	21,20,370
GRAND TOTAL (I and II)	17,16,470	21,20,570
SCHEDULE 11 - OTHER ASSETS		
l. Inter office adjustments (net)		
I. Interest accrued	19,60,805	10 10 740
II. Tax paid in advance / tax deducted at source (net of provisions)	6,10,543	10,19,549 5,82,672
V. Stationery and stamps	0,10,0,0	2,02,072
V. Non Banking Assets acquired in satisfaction of claims	-	
/I. Others*	15,08,994	14,91,525
Includes deposit with RIDF and other funds of ₹ 1.38 crores (March 31, 2021: ₹ 1.96 crores)		, , , , , ,
OTAL	40,80,342	30,93,746
CHEDULE 12 - CONTINGENT LIABILITIES		
Claims against the bank not acknowledged as debts	2.04.000	3 50 000
. Liability for partly paid investments	3,04,690	3,59,089
Liability on account of outstanding forward exchange contracts		
V. Liability on account of outstanding derivative contracts Guarantees given on behalf of constituents	.	-
a) In India		į
b) Outside India	25,000	25,000
Acceptances , endorsements and other obligations	.	,
II. Other items for which the Bank is contingently liable	0.55	
OTAL	87,740	90,505
	4,17,430	4,74,594







SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

		(₹ in 000's)
	Year ended	Year ended
PARTICULARS	31.03.2022	31.03.2021
	(Audited)	(Audited)
SCHEDULE 13 - INTEREST EARNED		
I. Interest/discount on advances/bills*	2,41,20,339	2,30,14,464
II. Income on investments	25,59,535	17,19,188
III. Interest on balances with Reserve Bank of India and other Inter-bank funds	5,85,090	2,43,282
IV. Others	387	146
* Includes interest recoveries from technically written off accounts		
TOTAL	2,72,65,351	2,49,77,080
SCHEDULE 14 - OTHER INCOME		
I. Commission, exchange and brokerage	24,13,708	16,10,552
II. Profit / (loss) on sale of investments (net)	46,521	2,07,881
III. Profit / (loss) on revaluation of investments (net)	,	2,07,001
IV. Profit / (loss) on sale of land, buildings and other assets(net)	(2,066)	(77,279)
V. Profit on exchange / derivative transactions (net)	(1.,000)	(17,213)
VI. Income earned by way of dividends from		
subsidiaries/joint ventures abroad/in India	_	-
VII. Miscellaneous income [#]	7,79,469	C 00 C 43
# Includes PSLC income ₹ 12.71 crores (March 31, 2021: ₹ Nii), recoveries from	7,79,409	6,09,647
written off accounts # 57.42 graves (March 31, 2021; # 53.92 graves) and lines		
written off accounts ₹ 57.42 crores (March 31, 2021: ₹ 52.82 crores), and lease		
income ₹ 7.25 crores (March 31, 2021: ₹ 7.25 crores)		
TOTAL	32,37,632	23,50,801
SCHEDULE 15 - INTEREST EXPENDED		4.49
I. Interest on deposits	02.04.222	07.00.00
· ·	93,04,237	87,03,097
II. Interest on Reserve Bank of India/inter-bank borrowings III. Other Interest (Inciduing interest on debentures and other horrowings)	30,07,747	20,66,092
III. Other Interest (Inciduing interest on debentures and other borrowings)	10,55,525	15,76,595
TOTAL	1,33,67,509	1,23,45,784
SCHEDULE 16 - OPERATING EXPENSES		
Payments to and provisions for employees (refer note 18.4 and 18.14)	69,89,890	61 84 595
I. Rent, taxes and lighting (refer note 18.22(o))	9,15,632	61,84,586 10,10,975
II. Printing and stationery	89,670	
V. Advertisement and publicity	1,05,901	62,635
/. Depreciation on bank's property (including leased assets)		1,68,441
//. Director's Fees, allowances and expenses	8,08,153	8,26,769
/II. Auditors' fees and expenses	5,515	5,477
•	10,028	10,822
/III. Law charges	75,876	40,951
X. Postage, telegram, telephone etc.	1,63,299	2,04,443
Repairs and maintenance	2,70,869	3,01,404
(I. Insurance	1,64,910	1,26,803
(II. Other expenditure	17,88,467	15,29,807
(a). Travel and conveyance	3,50,393	2,53,273
(b). Professional fees (includes cost of outsourced technology support services)	9,64,472	9,33,679
(c). Others	4,73,602	3,42,855
OTAL	1,13,88,210	1,04,73,113







Schedule to the Financial Statements for the year ended March 31, 2022

SCHEDULE - 17

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

1. CORPORATE INFORMATION:

Jana Small Finance Bank Limited (Formerly known as Janalakshmi Financial Services Limited - the "Company"), headquartered in Bangalore, engaged in providing a wide range of banking and financial services. Originally incorporated on July 24, 2006, the Company registered as a Non-Banking Financial Company (NBFC) with the Reserve Bank of India on March 4, 2008. The Company got classified as a NBFC-MFI effective from September 5, 2013. The Company became a public limited company under the provisions of Companies Act, 2013, with effect from August 10, 2015.

Pursuant to the resolution passed by the shareholders at the Extraordinary General Meeting (EGM) held on January 12, 2018 and the issue of small finance bank license by Reserve Bank of India (RBI) on April 28, 2017 under section 22(1) of the Banking Regulation Act, 1949 "Janalakshmi Financial Services Limited" (the "Company") converted itself into a Small Finance Bank with effect from March 28, 2018. Accordingly, the name of the Company was changed to Jana Small Finance Bank Limited (the "Bank").

The Bank has received scheduled Bank status with effect from 16 July, 2019 vide publication in the Gazette of India (Part III = Section 4) dated July 27 = August 02, 2019. Accordingly, Jana Small Finance Bank Limited is included in the second schedule of the Reserve Bank of India Act, 1934.

2. BASIS OF PREPARATION:

The Bank's financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and on-going concern basis, unless otherwise stated and in conformity with Generally Accepted Accounting Principles (GAAP), which comprise applicable statutory provisions, regulatory norms/guidelines prescribed by the Reserve Bank of India (RBI), Banking Regulation Act 1949, Accounting Standards specified under Section 133 of Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules 2021, in so far as they apply to the banks and the current practices prevalent within the banking industry in India.

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision in the accounting estimates is recognized prospectively in the current and future periods.

3. REVENUE RECOGNITION:

- i. Interest income on loans, advances and investments is recognized in the Profit and Loss Account on accrual basis except income on advances; investments and other assets classified as Non-Performing Assets (NPAs), which is recognized upon realization, as per the prudential norms prescribed by the RBL Unrealized Interest on NPA is reversed in the Profit and Loss Account and is recognized only on receipt basis. Further, charges and penal interest on advances is recognized on receipt basis.
- ii. Income on non-coupon bearing discounted instruments is recognized over the tenure of the instruments so as to provide a constant periodic rate of return.
- ill. Processing fees on loan, direct assignment and securitisation is recognised upfront when it becomes due.
- iv. Dividend is accounted on an accrual basis where the right to receive the dividend is established.
- v. Interest incomes on deposits with banks and financial institutions is recognized on a time proportion basis taking into account the amount outstanding and the implicit rate of interest.
- vi. PSLC related income and expenses is recognised as and when they become due.
- vii. All other fees are accounted for as and when they become due.







Schedule to the Financial Statements for the year ended March 31, 2022

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31,

4. INVESTMENTS:

In accordance with RBI guidelines, investments are classified into three categories, viz. Held to Maturity (HTM), Available for Sale (AFS) and Held for Trading (HFT). Under each of these categories, investments are further classified under six groups - Government Securities, Other Approved Securities, Shares, Debentures and Bonds, Investments in Subsidiaries / Joint Ventures and Other Investments.

The transactions in Securities are accounted on "Settlement Date" of accounting except in the case of equity shares where trade date accounting is followed.

Basis of classification:

i. Investments that the Bank intends to hold till maturity are classified under "Held to Maturity (HTM)" category. ii. Investments that are held for resale within 90 days from the date of purchase are classified as "Held for Trading (HFT)".

ili. Investments, which are not classified in the above two categories, are classified as "Available for Sale (AFS)". Further, as per the RBI guidelines, HFT securities, which remain unsold for a period of 90 days are reclassified as AFS securities.

iv. An investment is classified as HTM, HFT or AFS at the time of its purchase and subsequent shifting amongst categories is done in conformity with regulatory guidelines.

Transfer of investments from one category to the other is done in accordance with RBI guidelines. Transfer of securities from AFS / HFT category to HTM category is made at the lower of book value or market value. In the case of transfer of securities from HTM to AFS / HFT category, the investments held under HTM at a discount are transferred to AFS / HFT category at the acquisition price and investments placed in the HTM category at a premium are transferred to AFS/ HFT at the amortized cost. After transfer, these securities are re-valued and resultant depreciation, if any, is provided.

Transfer of investments from AFS to HFT or vice- a- versa is done at the book value. Depreciation carried, if any, on such investments is also transferred from one category to another.

Broken period interest if any, paid on acquisition of investments is debited to Prolit and Loss Account. Broken period interest received on sale of securities is recognized as interest income.

Investments classified under AFS and HFT categories are marked to market individually and depreciation/appreciation is aggregated for each group and net depreciation in each group is provided and net appreciation is ignored.

Traded investments (if any) are valued based on the trades / quotes on the recognised stock exchanges or prices published by Financial Benchmarks India Pvt Ltd. (FBIL) with Fixed Income Money Market and Derivatives Association (FIMMDA) as the calculating agent.

The market value of unquoted government of India securities, state government securities etc. which are directly issued by the government of India is computed as per the prices published by FBIL with FIMMDA as the calculating agent.

Unquoted equity shares are valued at the break-up value, if the latest Balance sheet is available or at ₹ 1 for each company as per the RBI guidelines.

Units of mutual funds are valued at the latest repurchase price / net asset value declared by the mutual fund.

Treasury bills, commercial papers and certificate of deposits being discounted instruments, are valued at carrying cost.

Net depreciation in the value, if any, compared to the acquisition cost, in any of the groups, is charged to the Profit and Loss Account. The net appreciation, if any, in any of the groups is not recognised except to the extent of depreciation provided earlier.





Schedule to the Financial Statements for the year ended March 31, 2022

SCHEDULE - 17

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

Investments classified under HTM category are carried at their acquisition cost and not marked to market. Any premium on acquisition is amortised over the remaining maturity period of the security on a constant yield-to-maturity basis. Such amortisation of premium is adjusted against interest income under the head "income from investments". Any diminution, other than the temporary, in the value of investments in HTM category is provided for.

Security receipts (SR) are valued as per the net asset value provided by the issuing Asset Reconstruction Company from time to time.

Non-performing investments are identified and provision are made thereon based on the RBI guidelines. The provision on such non-performing investments are not set off against the appreciation in respect of other performing investments, interest on non-performing investments is not recognized in the Profit and Loss Account until received.

Disposal of Investments:

Profit / Loss on sale of investments is taken to Profit and Loss Account. However in case of profit on sale of investments in "Held to Maturity" category, an equivalent amount of profit (net of applicable taxes and amount required to be transferred to statutory reserves) is appropriated to Capital Reserve in accordance with RBI guidelines. Cost of investments is based on the weighted average cost method.

Repurchase and reverse repurchase transactions:

In accordance with the RBI guidelines, repurchase (Repo) and reverse repurchase (Reverse Repo) transactions in government securities and corporate debt securities are reflected as borrowing and lending transactions respectively. Borrowing cost on repo transactions is accounted as interest expense and revenue on reverse repo transactions is accounted as interest income.

5. ADVANCES CLASSIFICATION AND PROVISIONING:

Classification:

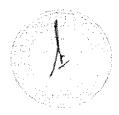
Advances are classified into performing and non-performing advances ('NPAs') as per the RBI guidelines and are stated net of specific provisions made towards NPAs. Further, NPAs are classified into sub-standard, doubtful and loss assets based on the criteria stipulated by the RBI. Provisions for NPA is made at rates as prescribed by the RBI and as per Bank's internal credit policy and same is charged to the Profit and Loss Account under Provisions and Contingencies.

Non-performing advances are written-off in accordance with Bank's policies. Amounts recovered against debts written-off are recognised in the Profit and Loss account as "Miscellaneous Income" under Other Income (Schedule 14).

The Bank considers a restructured account as one where the Bank, for economic or legal reasons relating to the borrower's financial difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of terms of the advances/securities, which would generally include, among others, alteration of repayment period/ repayable amount/ the amount of instalments/ rate of interest (due to reasons other than competitive reasons). Restructured accounts are classified as such by the Bank only upon approval and implementation of the restructuring package. Necessary provision including diminution in the fair value of a restructured account is made and classification thereof is as per the extant RBI guidelines.

The Bank maintains a general provision on standard advances at the rates prescribed by the RBI. Provision made against standard assets is included in "Other liabilities & provisions" (Schedule 5).

The Bank transfers advances through inter-bank participation. In accordance with the RBI guidelines, in the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances. In case of participation with non-risk sharing, the aggregate amount of participation is classified as borrowings.







Schedule to the Financial Statements for the year ended March 31, 2022

SCHEDULE - 17

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

The Bank vide RBI circular FIDD.CO.Plan.BC.23/04.09.01/2015-16 dated April 07, 2016 trades in Priority Sector portfolio by selling or buying Priority Sector Lending Certificates (PSLCs). There is no transfer of risk on loan assets in these transactions. The fee paid for purchase of the PSLC is treated as an 'Expense' and the fee received for the sale of PSLCs is treated as 'Miscellaneous Income'.

Floating Provisions:

Provisions made, if any, in excess of the Bank's policy for specific loan loss provisions for non-performing assets and regulatory general provisions are categorised as floating provisions. Creation of floating provisions is considered by the Bank up to a level approved by the Board of Directors in accordance with the RBI guidelines, floating provisions are used up to a level approved by the Board only for contingencies under extraordinary circumstances and for making specific provisions for impaired accounts as per these guidelines or any regulatory guidance / instructions. Floating provisions, if any, are shown under "Other liabilities and Provisions" (Schedule 5).

6. SECURITISATION AND TRANSFER OF ASSETS:

Assets transferred through securitisation and direct assignment of cash flows are de-recognised when they are sold (true On sale of stressed assets, if the sale is at a price below the net book value (i.e., funded outstanding less specific provisions held), the shortfall is charged to the Profit and Loss Account and if the sale is for a value higher than the net book value, the excess provision is credited to the Profit and Loss Account in the year when the sum of cash received by way of initial consideration and / or redemption or transfer of security receipts issued by SC/RC exceeds the net book value of the loan at the time of transfer.

In respect of stressed assets sold under an asset securitisation, where the investment by the bank in security receipts (SRs) backed by the assets sold by it is more than 10 percent of such SRs, provisions held are higher of the provisions required in terms of net asset value declared by the Securitisation Company ('SC') / Reconstruction Company ('RC') and provisions as per the extant norms applicable to the underlying loans, notionally treating the book value of these SRs as the corresponding stressed loans assuming the loans remained in the books of the Bank.

The Bank invests in Pass Through Certificates (PTCs) issued by other Special Purpose Vehicles (SPVs). These are accounted at acquisition cost and are classified as investments. The Bank also buys loans through the direct assignment route which are classified as advances. These are carried at acquisition cost unless it is more than the face value, in which case the premium is amortised based on effective interest rate method.

Bank recognizes Excess Interest Spread (EIS) only on cash basis and Over Collateralization, if any, is included in the Gross Advances and it is provided for as per the provisioning norms of RBL

Direct Assignment portfolio bought by the Bank, if any, are classified as advances. These are carried at acquisition cost unless it is more than the face value, in which case the premium is amortised over the tenor of the loans.

7. FIXED ASSETS AND DEPRECIATION:

Fixed Assets are stated at cost less accumulated depreciation as adjusted for impairment, if any. Cost includes cost of purchase inclusive of freight, duties, incidental expenses and all other directly attributable expenditures towards acquisition and installation of assets before it is ready for commercial use. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit / functioning capability from / of such assets. Specific grant received for acquisition of fixed assets are reduced from the cost of the asset.

Depreciation on fixed asset is charged over the estimated useful life on a straight line basis after retaining a residual value of 0.01%, except for leasehold improvements and software which are fully depreciated.







Schedule to the Financial Statements for the year ended March 31, 2022

5CHEDULE - 17

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

The Bank is following the estimated useful life as stated in the Part C of Schedule II of Companies Act, 2013 which is as below:

Type of Asset	Useful Life	
Computers including desktops and electronic equipment	3 Years	
Servers and networks	6 Years	
Furniture and fixtures	10 Years	
Electrical installation	10 Years	
Motor vehicles	8 Years	
Office equipment	5 Years	
Leasehold improvements	Remaining primary leasehold period as per agreement	

Capital work-in-progress includes cost of fixed assets that are not ready for their intended use.

The estimated useful life of the intangible assets are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Software is depreciated fully over the useful life of the software based on the license validity or five years whichever is earlier.

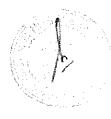
Fixed assets purchased during the year are depreciated on the basis of actual number of days the asset has been put to use in the year. Fixed assets disposed off during the year are depreciated up to the date of disposal.

Profit or losses arising from the retirement or disposal of a Fixed / Intangible Asset are determined as the difference between the net disposal proceeds and the carrying amount of fixed/ intangible assets and recognized as income or expense in the Profit and Loss Account. Profit on sale of premises, if any, is transferred to Capital Reserve as per the RBI guidelines.

8. IMPAIRMENT OF ASSETS (Other than loans and advances):

In accordance with AS-28- Impairment of assets, Bank assesses at each Balance Sheet date whether there is any indication of impairment of assets based on internal / external factors. Impairment loss, if any, is provided in the Profit and Loss Account to the extent of carrying amount of assets exceeds their estimated recoverable amount, which is higher of an asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. When, there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Profit and Loss Account, to the extent the amount was previously charged to the Profit and Loss Account.







Schedule to the Financial Statements for the year ended March 31, 2022

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

9. FOREIGN CURRENCY TRANSACTIONS:

- (i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

All exchange differences are recognized as income or as expenses in the period in which they arise.

10. EMPLOYEE BENEFITS:

Defined contribution plan:

Retirement benefits in the form of provident fund and employee state insurance scheme are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Defined benefit plan and compensated absences:

Liability for defined benefit gratuity plan and accumulated compensated absences is determined by estimating the present value of amount of benefit that employees have earned in return for their service in the current and prior periods. The Bank accounts for its liability for unfunded compensated absences and funded gratuity based on actuarial valuation, as at the Balance Sheet date, determined annually by an independent actuary using the Projected Unit Credit Method. The Bank makes contribution to Gratuity Funds managed by life insurance companies. Actuarial gains and losses are recognized in full in the Profit and Loss Account for the period and are not deferred.

Short term employee benefits:

Short term employee benefits expected to be paid in consideration for the services rendered by the employees is recognized during the period when the employee renders service.

11. INCOME TAXES:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank, The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and the tax laws enacted or substantively enacted as at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. In case of unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and appropriately adjusted to reflect the amount that is reasonably / virtually certain to be realized.

12. EARNINGS PER SHARE:

Bank reports basic and diluted earnings per share in accordance with Accounting Standard - 20, Earnings Per Share, Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of exercise of employee stock options and restricted stock units, bonus issue, bonus element in a rights issue to existing shareholders and share split.

Diluted earnings per share reflects the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and the dilutive potential equity shares (stock options, restricted stock units and convertible preference shares) outstanding during the year, except where the results are anti-dilutive.





Schedule to the financial Statements for the year ended March 31, 2022

SCHEDULE - 17

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

In accordance with AS 29 - Provisions, Contingent Liabilities and Contingent Assets, the Bank creates a provision when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balances sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resource would be required to settle the obligation, the provision is reversed.

A disclosure for contingent liability is made when there is:

- i) A possible obligation arising from the past events, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the bank; or
- ii) A present obligation arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

14. ACCOUNTING FOR LEASE:

Operating Lease:

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased term are classified as operating leases in accordance with Accounting Standard 19, Leases, Lease rentals on assets under operating lease is charged off to the Profit and Loss Account on a straight-line basis in accordance with the AS-19.

Finance Lease:

Leases under which the Bank assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets taken on finance lease are initially capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to periods during the lease term so as to produce a constant periodic rate of interest on the remaining balance of liability for each period.

Asset given on finance lease

In case of assets given under finance lease, leased assets are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the internal rate of return. The principal amount received reduces the net investment in the lease and interest is recognised as revenue.







Schedule to the Financial Statements for the year ended March 31, 2022

SCHEDULE - 17

Significant Accounting Policies appended to and forming part of the financial statements for the year ended March 31, 2022

15. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents include cash in hand, balances with Reserve Bank of India, balances with other banks/institutions and money at call and short notice.

16, CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Bank are segregated.

17. SHARE ISSUE EXPENSES:

Share issue expenses are adjusted against Share Premium Account in terms of Section 52 of the Companies Act, 2013.

18. SEGMENT INFORMATION:

The disclosure relating to segment information is in accordance with Accounting Standard-17, Segment Reporting and as per the guidelines issued by RBI. Bank has classified its business into following for segment reporting:

- (a) Treasury includes all investment portfolios, Profit / Loss on sale of investments, equities, income from money market operations.
- (b) Corporate / Wholesale Banking includes all advances to companies and statutory bodies, which are not included under Retail Banking.
- (c) Retail Banking includes lending to and deposits from retail customers and identified earnings and expenses of the segment.
- (d) Other Banking Operations includes all other operations not covered under Treasury, Corporate / Wholesale Banking and Retail Banking.

Unallocated includes Capital and Reserves and other unallocable assets, liabilities, income and expenses.

19. CORPORATE SOCIAL RESPONSIBILITY:

Expenditure incurred towards corporate social responsibility are recognised as and when becomes due.

20. EMPLOYEE STOCK OPTION PLAN and RESTRICTED STOCK UNITS:

Designated Employees of the Bank receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India, the cost of equity-settled transactions is measured using the intrinsic method and recognized, together with a corresponding increase in the "Employees Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Bank's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Profit and Loss Account for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Consequent to RBI Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function Staff, new stock options granted to Whole Time Directors, Chief Executive Officers and Material Risk Takers on or after April 01, 2021, are recognised at fair value on the date of grant using Black-Scholes model.

21. BORROWING COST:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.



Schedule 18 - Notes forming part of the Financial Statements for the year ended March 31, 2022

1 Capital

1.1 Capital Adequacy Ratio (CAR)

The following table sets forth, for the year indicated, computation of capital adequacy as per the operating guidelines.

Particulars	March 31, 2022	March 31, 2021
Common equity tier 1 capital	986.93	924.69
Tier 1 capital	1,136.93	1,074.69
Tier 2 capital	330.39	344.14
Total capital (Tier 1 + Tier 2)	1,467.32	1,418.83
Total Risk Weighted Assets (RWAs)	9,613.11	9,147.05
Common equity tier 1 capital ratio (%) (Common equity tier 1 as a percentage of RWAs)	10.27%	10.11%
Tier Lapital ratio (%) (Tier Lapital as a percentage of RWAs)	1.1.83%	11.75%
Tier 2 capital ratio (%) (Tier 2 Capital as a percentage of RWAs)	3.43%	3.76%
Capital to RWAs ratio (%) (CRAR) (Total Capital as a percentage of RWAs)	15.26%	15.51%
Leverage Ratio	5.63%	5.62%
Percentage of the shareholding of Government of India	-	
Amount of tier 2 capital raised through debt capital instruments during the year	50.00	

During the year the Bank has renewed subordinated debt (Tier 2 capital) amounting to ₹ 75 crores and repaid ₹ 255 crores (March 31, 2021; Nil). Subordinated debt (Tier 2 capital) outstanding as at March 31, 2022 is ₹ 456 crores (March 31, 2021; ₹ 701 crores).

- 1.The Capital Adequacy Ratio (CAR) has been computed in accordance with RBI Circular No. RBI/2016-17/81 DBR.NBD.No. 26/16.13.218/2016-17 dated October 6, 2016 on Operating Guidelines for Small Finance Banks. As per the said circular, prodential regulatory framework will largely be drawn from the Basel standards for capital regularements and Basel II standardized approach for credit risk. Further, the RBI vide its Circular No. DBR.NBD.No.4502/16.13.218/2017-18 dated November 08, 2017 has provided an exemption to all Small Finance Banks whereby no separate capital charge is prescribed for market risk and operational risk.
- 2. The Bank has applied 100% risk weight on advances charged as security against grandfathered borrowings on the date of conversion into a Small Finance Bank.
- 3. Sub-ordinated debt inclusion in Tier 2 capital has been limited to 50% of Tier 1 capital.

In accordance with the RBI guidelines, banks are required to make Pillar 3 disclosures under the Basel III Framework and Net Stable Funding Ratio (NSFR) Disclosures. These disclosures are available on the Bank's website at the following link: https://www.janabank.com/regulatory-disclosures/
The disclosures have not been subjected to audit by the statutory auditors of the Bank.

1.2 Capital Infusion

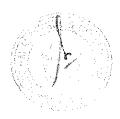
During the year ended March 31, 2022, the Bank has issued equity shares having face value of ₹ 10 each for cash pursuant to preferential allotment of 6,81,423 equity shares at ₹ 968.56 each aggregating to ₹ 66.00 crores (March 31, 2021: Nil). Further, during the year ended the Bank has allotted 2,884 equity shares (March 31, 2021: 8,654) respectively with respect of stock options exercised aggregating to ₹ 0.32 crores (March 31, 2021: ₹ 1.20 crores).

Details of movement in the paid up equity share capital are as below:

Particulars	March 2	31, 2022	March 3	1, 2021
	No. of Equity	Amount	No. of Equity shares	Amount
Equity shares as at the beginning of the year	5,07,27,257	50,73	5,07,18,603	50,72
Addition pursuant to stock option exercised	2,884	0.00	8,654	0.01
Addition pursuant to equity shares issued during the year	6,81,423	0.68		-
Faulty shares outstanding as at the end of the year	5,14,11,564	51.41	5,07,27,257	50.73

In terms of Section 12 of the Banking Regulation Act 1949, the subscribed capital of a banking company operating in India shall not be less than one-half of the authorized capital, and the paid-up capital shall not be less than one-half of the subscribed capital. As at the commencement of banking operations (March 28, 2018), the issued, subscribed and paid-up capital of the Bank was ₹ 39.29 crores as against the authorised share capital of ₹ 1,327.60 crores. The Bank has received scheduled Bank status with effect from July 16, 2019 vide publication in the Gazette of India (Part III - Section 4) dated July 27 – August 02, 2019. Accordingly, Jana Small Finance Bank Limited is included in the second schedule of the Reserve Bank of India Act, 1934. As on July 31, 2019, the issued, subscribed and paid up capital of the Bank was ₹ 197.16 crores which forms 14.85% of its authorized share capital. The Bank's paid-up capital as on July 31, 2019 met the statutory requirement as above, while the subscribed capital did not meet with the statutory requirement of being not less than half of the Authorized Capital.

In order to comply with the above statutory requirement, on February 03, 2020 the Bank has diminished it's authorised share capital to ₹ 350 crores comprising Equity Share Capital of ₹ 100 crores and Preference Share Capital of ₹ 250 crores.







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Indian Rupees in Crores unless otherwise states))

2. Earnings per equity share

Particulars	March 31, 2022	March 31, 2021
Net profit after tax (*In crores)	5.40	84.31
Weighted average number of equity shares in computing the basic earnings per share	5,08,19,200	5,07,25,972
Basic earnings per share t	1.06	16.62
Weighted average number of equity shares in computing the diluted comings per share	5,44,92,436	5,36,84,496
Diluted earnings per share *	0.99	15,70
Nominal value per share 4	10.00	10.00

- 1. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- 2. Diluted earnings per equity share is computed by dividing net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares including potential equity shares outstanding as at the end of the year, except when results are anti-dilutive.
- 3. The dilutive impact is on account of stock options granted to employees and Non-Cumulative Compulsorily Convertible Preference Shares.

3. Reserves

3(a) Statutory Reserve

The Bank has transferred € 1.35 crores (March 31, 2021; ₹ 21.08 crores) to statutory reserves pursuant to the requirements of Section 17 of the Banking Regulation Act, 1949 and RBI guidelines dated September 23, 2000.

3(b) Capital Reserve

The Bank has transferred ₹ 3.05 crores (March 31, 2021: ₹ 3.14 crores) to capital reserves, being the profit from sale of HTM investments, net of taxes and appropriation to statutory reserve, as per the RBI regulations.

3(c) Share premium account

Share issue expenses amounting to ₹ Nil (March 31, 2021: Nil) are adjusted from securities premium account in terms of section 52 (2) (c) of the Companies Act, 2013.

3(d) Investment Reserve

The Bank has transferred 3 0.29 crores (March 31, 2021: Nil) to investment Reserve, being the excess depreciation provisions created on 'AFS' or 'HFT' categories of investment than the required amount for the year, as per the RBI regulations.

3(e) Investment Fluctuation Reserve

As per RBI master direction, Banks were required to create an IFR with effect from 2018-19 to reach a level of 2% of HFT and AFS portfolio within a period of three years, where feasible. IFR shall be created by transferring an amount not less than the lower of the following:

- (i) Net profit on sale of investments during the year
- (ii) Net profit for the year less mandatory appropriations

The Bank has transferred < 0.58 crores for the year ended March 31, 2022 (March 31, 2021: < 16.60 crores) to investment fluctuation reserves.

3(f) Drawdown of Reserves

During the year ended March 31, 2022; there were no drawdown from reserves (March 31, 2021 : Nil).







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

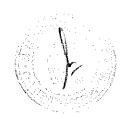
(All amounts are in Indian Rupees in Crores unless otherwise stated)

4. Employees Stock Option Plan Scheme

The Bank has share- based payment schemes for it's employees. Schemes in operations during the year ended March 31, 2022 are Employee stock option plan scheme 2017, Employee stock option plan scheme 2018, Restrictive Stock Units Scheme 2017 and Restrictive Stock Units Scheme 2018.

The details of the Employee Stock Option Plan Schemes (ESDP) and Restrictive Stock Unit Scheme (RSU) during the year ended March 31, 2022

Particulars	ESOP 2017	ESOP 2018	RSU 2017	RSU 2018
Grant date	Various dates	Various dates	Various dates	Various dates
Fotal options under the plan	18,67,579	20,23,697	Sub-set of ESOP 2017	Sub-set of ESOP 2018
Number of options granted	1,86,094	1,815	17,698	9,189
Method of settlement	Equity	Equity	Equity	Equity
Vesting	25% after one ye of grant 25% after two ye of grant 25% after three date of grant Balance 25% after three the date of grant	years from the	One year from the	date of grant
Exercisable period	subject to a maxi years commencing of vesting of su	mum period of 5 ng from, the date ich Option or 2 date of Listing,	The Exercise perior to a maximum prommencing from vesting of such Offrom the date of Litater.	eriod of 5 years n, the date of option or 2 years
Vesting conditions	with the Compi date of vesting, in Subsidiaries Com may be The NRC shall ha accelerate Vestin	iny on relevant including with the pany, as the case we the power to g of all Univested imployee who is	Continued employed the Company on vesting, including Subsidiaries Comp may be The NRC shall has accelerate Vesting Options of an Econsidered a Good	relevant date of ng with the any, as the case we the power to of all Unvested imployee who is
Exercise price per option (3)	960.59 an	ਰ 968,56	10.	CO







(All amounts are in Indian Rupees in Crores unless otherwise stated)

The details of the Employee Stock Option Plan Schemes (ESOP) and Restrictive Stock Unit Scheme (RSU) during the year ended March 31, 2021

Particulars	ESOP 2017	ESOP 2018	RSU 2017	RSU 2018
Grant Date	Various dates	Various dates	Various dates	Various dates
Option available under the plan	18,67,579	20,23,697	Sub-set of ESOP 2017	Sub-set of ESOP 2018
Number of Options granted	25,512	+	17,864	1,041
Method of Settlement	Equity	Equity	Equity	Equity
Vesting	25% after one yo of grant 25% after two ye of grant 25% after three date of grant Balance 25% after the date of grant	ars from the date years from the		date of grant
Exercisable period	subject to a max years commencing of Vesting of si	mum period of 5 ng from, the date ach Option or 2 date of Listing,	The Exercise period to a maximum processing from Vesting of such Colombia from the date of Later.	oeriod of 5 year m, the date o Option er 2 year
Vesting conditions .	with the Comp date of vesting, i Subsidiaries Com may be. The NRC shall he accelerate Vestin	any on relevant netuding with the pany, as the case are the power to go of all Unvested imployee who is	Continued employ the Company on vesting, includ Subsidiaries Company be. The NRC shall haccelerate Vestin, Options of an considered a Good	relevant date or ing with the pany, as the cas ave the power to g of all Univeste Employee who is
Exercise price per option (4)	DEC.	0.59	31	.00

The following are the outstanding options as at year ended March 31, 2022;

The following are the outstanding options as a cytos	As	at and for the yea	ir ended March 31,	2022
Particulars	ESOP 2017	ESOP 2018	ESOP 2017 (RSU)	ESOP 2018 (RSU)
Total Options granted and outstanding at the beginning of the year	14,51,448	3,93,039	63,075	14,656
Add: Options granted during the year	1,86,094	1,815	17,688	9,189
Less; Options forfeited / lapsed during the year	1,77,478	69,896		1,687
Less : Options exercised during the year	1 . 1		841	2.043
Options Outstanding as at end of the year	14,60,064	3,24,958	79,922	20,115
- Vested	7,98,301	1,80,921	71,083	10,926
- Yet to vest	5,61,763	1,44,037	8,839	9,189

The following are the outstanding options as at and for the year ended March 31, 2021:

(the tollowing are the dutationing options of	As	at and for the yea	ir ended March 31,	2021
Particulars	ESOP 2017	ESOP 2018	ESOP 2017 (RSU)	ESOP 2018 (RSU)
Total Options granted and outstanding at the beginning of the year	16,90,629	5,03,932	45,211	23,769
Add: Options granted during the year	25,512		17,864	1,041
Less: Options forfeited / lapsed during the year	2,64,693	1,10,893	,	1,500
Less : Options exercised during the year	-	•	-	8,654
Options Outstanding as at end of the year	14,51,448	3,93,039	63,075	14,656
- Vested	6,94,834	1,41,103	62,034	13,615
- Yet to yest	7,56,614	2,51,936	1,041	1,041

As per SEBI guidelines, the accounting for share based payments can be done either under the 'Intrinsic Value' basis or 'Fair Value' basis. As per the approval of Board the Bank has adopted 'Intrinsic Value' method for accounting of share based payments.







SCHIDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All impounts are to indian Rupees in Crotes unless during why stated)		grander and the second and an arrange of the second and are arranged as a second and are arranged as a second and are arranged as a second as a
	For the year	For the year
Pacticulars	ended March 31,	ended March 31,
	2022	2021
Employee Stock Option expenditure	0.73	(0,77)
Restrictive Stock Units expenditure	1.69	{0.20}
Tot al	2.42	(0.97)

		çanınınının (a. janının de le
projective the contract of the	March 31, 2022	March 31, 2021
Particulars	MINICU 31' YORK I	
I amount of Courts are stock antique and extensions stock units materialism	16.141	14.051
Amount of Employee stock options and restrictive stock units outstanding		

Effect of fair value method of accounting - share based payment plans in the Profit and Loss Account and on its financial position:

The key assumptions used in Black Scholes model for calculating value of options as on the date of the grant are from April 1, 2021 to March 31, 2022

	T
	ESOP 2017 & 2018
Particulars	and ESOP (RSU)
	2017 & 2018
Variables	
1. Risk free interest rate	5.74% - 6.26%
2. Expected life (in years)	4,50
3. Expected volatility	68.09% - 70.42%
4. Oildend yield	0.00%
5. The weighted average fair value of options granted ₹	623,19

The key assumptions used in Black Scholes model for calculating value of options as on the date of the grant are from April 1, 2020 to March 31, 2021

Particulars	ESOP 2017 & 2018 and ESOP (RSU) 2017 & 2018
Variables	Tranche 4
1. Risk Free Interest Rate	5,15% - 5,75%
2. Expected Life (in years)	4.50
3. Expected Volatility	64.63% - 67.49%
4. Dividend Yield	0.00%
5. The weighted average fair value of options granted *	578.09

The guidance note issued by the Institute of Chartered Accountants of India requires the disclosure of proforma net results and Earnings Per Share (EPS) both basic and diluted, had the Company adopted the fair value method amortizing the stock compensation expense thereon over the vesting period, the reported profit would have been lower by ₹ 14.03 crores (March 31, 2021; reported profit would have been lower by ₹ 28.55 crores). The basic and diluted EPS for the year ended March 31, 2022 would have been ₹ (1.70) and ₹ (1.70) respectively (March 31, 2021; ₹ 10.99 and ₹ 10.39).

The expected life of the stock option is based on historical data and current expectation and is not necessarily indicative of the pattern that may occur. The expected volatility reflects the assumption that the historical volatility of a comparable listed entity for 5 years period ended on the date of the grant is indication of future trends which may not necessarily be the actual outcome.







JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.) (All amounts are in Indian Rupees in Crores unless otherwise stated)

5. Investments

5(a) Composition of Investment Portfolio

ī			-	Investments in India	n India				Investments outside India	its outside	e India	
	Gavernment Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others (Security Receipts)	Total investments in India	Government securities	Subsidiaries and/or joint ventures	Orthers	Total Investments outside India	Total Investments
Held to Maturity		***************************************		The state of the s								
Gross	2,942.91				,	92.52	3,035.43					
Less: Provision for non-												
performing investments	un com dann (m. 1774)				ing major digan ngalaga i Ag		j.		egge senggan			,
Wet	2,942.91		,	t		52.52	3,035,43	,	•	,	,	
	, marriero											
Available for Sale												
Gross	2,029.84				as rise.		2,029.84					
Less: Provision for depreciation and NPI	(10.0)						(0.01)		i salistinos		inger skrower	١
Net	2,029.83		,		•	1	2,029.83			-		and the state of t
Held for Trading												
Gross							٠		witt			
Less: Provision for degraciation and NPI	A. A						F		angairthi ghana na			,
102		,	,						,			
											- Admin	
Total Investments	4,972.75			1		92.52	5,065.27	,	2	,		,
Less: Provision for non- performing investments	(10.01)	,	,	ı		,	(0.01)	,		,	,	4
Less: Provision for depreciation and NPI		,	:	,		-	í	:		, , , , , , , , , , , , , , , , , , ,		
300	4 972.74	,		1	,	57.57	36 550 5	,				





JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.) (All amounts are in Indian Rupees in Crores unless otherwise stated)

S(a) Composition of Investment Portfolio (contd)..

As at March 31, 2021

			1	Investments in India	India	4.000						
		Other	-				3		mvestments outside India	E outsig	e india	
	Sovernment	Approved	Shares	Debentures	and/or joint	Others	Total	Government	Subsidiaries		Total	Totaí
	Second Lies	Securities		spuon pue	Ventures	Receipts	in India	securities	::	Cuera	investments	Investments
Held to Maturity						Com Him and			ventures		outside India	
Gross	1,656.09				•							//
Less: Provision for non-					The state of the s	Complete State of Granden	1,655.09			*	***************************************	•
	*****						-					
performing investments							b				ut dry	ا
(1441)				••••	*******							
Net	1,656.09	-	,	,			T ASE DO					
							*******		1	•		1
Available for Sale												
Gross	3017 51		-					-			******	
Hace Drowning for	1						3,017.61					,
depreciation and NPI	(0.32)			rimonii da remo			(0.32)			- Paris		
Alst	200		+							marker.	thi av	,
100	5,017.29	,		-	,	ž	3,017.29	·	,	-		,
Held for Irading					•							
Grass	24,49						75.49					
Less: Provision for	300						7					-
depreciation and NPI	(0.08)	golden fra					(0.03)		 	********		†
Net	24.41	•	,		-		74.41					
									1	1		:
Total Investments	4,698.19	-					2 608 10					
Less: Provision for nan-	3		-				27.000	-	1	-		,
performing investments	(0.40)	i	1	,	al and a second	ı	(0.40)		3	4	ŀ	
Less: Provision for												
depreciation and NPI	,	!	*	•	, w	,	t	1	ì	,		1
Net	4,697.79	r		,	,		2 697 79					
					,		2000		•	,	,	







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Indian Rupees In Crores unless otherwise stated)

5(b) Movement of provision for depreciation and Investment Fluctuation Reserve

Particulars	March 31, 2022	March 31, 2021
i) Movement of provisions held towards depreciation on investments		and the state of t
a) Opening balance	0.40	Norman Parameter action (not a transportation)
b) Add; Provision made during the year		0,40
c) Less: Write-off /write back of excess provision during the year	0.39	
d) Closing balance	0.01	0.40
i) Movement of Investment Flucation Reserve (IFR)		
a) Opening balance	21.23	4,67
b) Add: Amount transferred during the year	0.58	16.59
c)Less: Orawdown		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
d Closing balance	21.81	21.23
i) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current Category	1,07%	0.70

5(c) Sale and Transfers to/from HTM Category

During the year ended March 31, 2022, the Bank has not transferred securities from held-to-maturity (HTM) category to available-for-sale (AFS) category.

During the year ended March 31, 2022, the Bank has not undertaken any transactions for sale of securities of the HTM portfolio at April 1, 2021. The above sale is excluding sale to RBI under pre-announced open market operation auctions and repurchase of government securities by Government of India, as permitted by RBI guidelines.

During the year ended March 31, 2021, with the approval of Board of Directors, the Bank transferred securities with a net book value of ₹ 356.52 crores from held-to-maturity (HTM) category to available-for-sale (AFS) category, being transfer of securities at the beginning of the accounting year as permitted by the

During the year ended March 31, 2021, the Bank undertook 4 transactions for sale of securities with a net book value of ₹ 356.52 crores, which was 81.53% of the HTM portfolio at April 1, 2020. The above sale is excluding sale to RBI under pre-announced open market operation auctions and repurchase of government securities by Government of India, as permitted by the RBI guidelines.

in accordance with the RBI guidelines, sales from, and transfers to / from, HTM category exclude the following from the 5% cap:

- 1. One-time transfer of securities permitted to be undertaken by banks at the beginning of the accounting year with approval of the Board of Directors;
- 2. Sales to the RBi under pre-announced open market operation auctions;
- 3. Repurchase of Government securities by Government of India from banks;
- 4. Additional shifting of securities explicitly permitted by the RBI from time to time;
- 5. Repurchase of state development loans by respective state governments under buy back /switch operations; and
- 6. Direct sales from HTM for bringing down SLR holdings in the HTM category.

5(d) Non-SLR investment Portfolio

The NPA in non-SER investment is given below -

THE DAMEST OF REACTIONS OF BLACK DOOM.		
Particulars	March 31, 2022	March 31, 2021
al Opening balance		
b) Add: Addition during the year		
c) Less: reductions during the year		
d) Closing balance		o martinas intervienos - suis travellità firma representa nel sus un
e) Total Provision held	-	

(ii) Issuer-wise composition of non-SLR investments

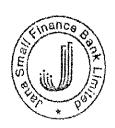
As on March 31, 2022, the Bank held below non-SER Investments

tssuer	Amount	Extent of private placement#	Extent of "below investment graded" securities#	Extent of "unrated" securities#	Extent of "unlisted" securities#
1.Public sector undertakings		-	-		to the state of th
2.Financial institutions		-			
3.8anks		,	-		
4.Private corporates	,	,			-
5.Subsidiaries / Joint ventures	-	,	•	-	
6.Others (Security Receipts)	92.52				92.52
7.Provision held towards depreciation	-	,	-	+	
Total	92.52			<u> </u>	92.52

Amounts reported under these columns above are not mutually exclusive







(Alf amounts are in Indian Rupees in Crores unless otherwise stated)

Durling the previous year ended March 31, 2021, the Bank had written off non-SLR investments in unlisted equity shares of 30.10 crores.

Issuer	Amount	Extent of private placement#	Extent of "below investment graded" securities#	Extent of "unrated" securities#	Extent of "unlisted" securities#
1.Public sector undertakings		Peter del Program : Novellero a resolution a del consequente quality and a	y etta bette etterak van vergantega a reggeren at este a van spanja v e.	Carrier Control of Carrier Control Control of Control o	THE RESIDENCE CONTRACTOR OF THE OWNER OF THE PARTY OF THE
2.Fi mancial institutions	· · · · · · · · · · · · · · · · · · ·	***************************************		***************************************	
3.Backs	Territoria de la composición del la composición del composición de la composición del composición del composición de la composición del composición del composición del composición del composición dela composición del composición del composición del composición del		reduced to 1997 and 11-physiological access	Action of the Control	
4.Private corporates		and polymers and more commentation of the second of the se			re remain remain ann an dean ann ann an Aireann ann an Aireann an
5. Subsidiaries / Joint ventures		*			
6.Others	*	, ,			
7. Provision held towards depreciation	7	4			·
Total					

Arnounts reported under these columns above are not mutually exclusive

5(e) Repo/ Reverse Repo Transactions

Details of repo / reverse repo deals (in face value terms) (including LAF and TREPS) done during the year ended March 31, 2022.

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as a March 31, 2022
Securities sold under repo		9		
J. Government securities		***************************************		***************************************
a) MSF (Repo with R&I)	8.00	53.00	. 0.23	
b) Tri-Party Repo (TREPS)	0,05	499.96	251.07	
c) Market Repo (CROMS)	0.99	200.94	34,06	
ii. Corporate debt securities	-		and the state of t	
iii. Any other securities (SLTRO)	150.00	800.00	2.19	800.00
Securities purchased under reverse repo	,			000.00
i. Government securities	***************************************	***************************************		
a) LAF (Reverse Repo with RBI)	16.85	2,276,00	335.93	930.00
b) Tri-Party Repo (TREPS)	The state of the s		57-14-16-1 to 2 47-44-44-44-44-44-44-44-44-44-44-44-44-4	.7.70.00
c) Market Repo (CROMS)	and the second s		*	
ii. Corporate debt securities	The second secon	***************************************	-	Ann direction and the same of
iil, Any other securities				

Details of repo / reverse repo deals (in face value terms) (including LAF and TREPS) for the year ended March 31, 2021

Partículars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as at March 31, 2021
Securitles sold under repo	,			
I. Government securities		-	~	-
a) MSF (Repo with RBI)	4.00	5,00	0.02	Y as Mand the selection could be to the a secretary of the second of the
b) Tri-Party Repo (TREPS)	0.05	199.98	51.90	
c) Market Repo (CROMS)	4.96	99.79	0.30	
ii. Corporate debt securities	The state of the s		*	*
iii. Any other securities	The second of th		······································	**************************************
Securities purchased under reverse repo	ν.	-	ra	
i. Government securities		-	*	*
a) LAF (Reverse Repo with REII)	5.00	2,013.00	404.18	1,663,00
b) Tri-Party Repo (TREPS)	10.00	100.00	0.97	*
c) Market Repo (CROMS)	4,99	5.00	0.04	
ii. Corporate debt securities		,	*	· · · · · · · · · · · · · · · · · · ·
iii. Any other securities	-	***************************************		and the state of t







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Indian Ruppes in Crores unless otherwise stated)

6. Derivatives

Disclosure with respect to outstanding cross Currency Interest Rate Swap (CCIRS)

a) Cross Currency Interest Rate Swap

Particulars	March 31, 2022	March 31, 2021
i) The notional principal of swap agreements		23.70
ii) Losses which would be incurred if counter parties failed to fulfil their obligation under the agreements	-	3.72
iii) Collateral required by the Bank upon entering into swaps		11.91
iv) Concentration of credit risk ansing from the swaps	Nil	Nil
vi Fair value of the swap book	-	3.72

The nature and terms of the Cross Currency Interest Rate Swap

	Annual market and a second and a			
**.*	Year and	l Benchmark i	No. of deals	
Nature	l Terms			
MANAGE	7.2.1112		denomination of the second sec	
The state of the s		I A A COURS DE MAN DE COURSE DE 1		
Lisabeta a	Floating payable vs fixed receivable	USD MIFOR 1		
Hedging	FRAHIN DAVALIE 45 DACH ICECSOCIE			
7.4.5.B	The state of the s	ting or the contract property and an adoption to the state of the stat		

b) Exchange Traded Interest Rate Derivatives - Not applicable

c) Disclosures on Risk Exposure in Derivatives

(I) Qualitative Disclosure

The Bank's treasury function is responsible for Bank's access to financial markets. Further, treasury function monitors and manages various risks relating to treasury operations of the Bank including currency risk, market risk and liquidity risk. In course of managing these risks, the Bank may use various market instruments as permissible for the Bank based on RBI goldelines and internal approvals. Further, compliance with various policies and exposure limits is reviewed by the internal auditors as required. The Bank does not enter into any trade in financial instruments including derivative financial instruments for speculative purposes. The grandfathered external commercial borrowing at the time of transitionn to Small Finance Bank was fully hedged and same was repaid during the financial year ended March 31, 2022. Further, as per operating guidelines for Small Finance Banks Issued by the RBI, there are no derivative transactions entered into during the year ended March 31, 2022 (March 31, 2021; 3 Nil).

(iii) Duantitative Disclosure

· · · · · · · · · · · · · · · · · · ·	March	31, 2022	March 3	1, 2021
Particulars	Currency Decivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
	Detadativez	Desiratives	Denvatives	DC11440.14C3
(I) Derivatives (Notional Principal Amount)				
a) for hedging*		in the state of th	23.70	·
b) For trading		-		·.
(ii) Marked to Market Positions	Ann Maringa () . Mg 14 1 care A (Maringa Property Company of the William)		a karan pintan kangangan pangganan ang kanding pintan kandin kan manakan	
a) Asset (+)			3.72	
b) Liability (-)	Management of the State of the	2	and the state of t	معاده والمراوعة أدون المداعم والمعاومة والوارد والأمروات
(iii) Credit Exposure		S.		
(iv) Likely impact of one percentage change in interest rate (100*PV01)			no reso ente y en empero successo ford describe y describe el del materiale.	
a) on hedging derivatives				
b) on trading derivatives				
(v) Maximum and Minimum of 100*PV01 observed during the year				
a) on hedging		r .		
b) on trading	-	4		Sogisego, sag pagamarmamo, colorarega a a colorido

^{*} Pertains to cross currency interest rate swap

d) Credit default swaps

The Bank has not transacted in credit default swaps during the year ended March 31, 2022, [March 31, 2021; Nil).







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Indian Rupees in Crores onless otherwise stated)

7. Asset Quality

(a) Classification of advances and provisions held

As al March 31, 2022

	Standard		Non-Po	erforming		
Particulars	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non- performing Advances	Total
Gross Standard Advances and NPAs		- Mariem parkers and return the article of the second				
Opening Balance	10,993.33	800.33	51.91	5.74	857.98	11,851.31
Add: Additions during the year#		7	***************************************		1,304.24	
Less: Reductions during the year#*	alproduction liveryes	elektrisi kelektrisi (k. 1901)	with a first building	raungah Naga pelaguakan langs	-1,405.31	naan ka ka ja mijagaan da Madalah ya ya maya uu ya maan uu ya dadada uu uu
Closing balance	12,493.42	744.44	12.46	.	756.90	13,250.32
Reductions in Gross NPAs due to:*		PERS YES		A Comment of the Second	THE PARTY OF THE P	
i) Upgradation	and the same of the same of		S Tour Street Section 14	- 10 CO 10 C	248.31	
ii) Recoveries (excluding recoveries from upgraded accounts)	al called the control	restraction of			571.67	The second secon
iii) Technical/ Prudential Write-offs	Barriot, estace	al man en en	Sign of Special	Parameters.	552.63	
iv) Write-oifs other than those under (iii) above					32.70	A Control of the Cont
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	121,90	209.86	23.71	5.74	239,31	361.21
Add: Fresh provisions made during the year ^s				an an store store	622.97	47 MA COLOR DE CONTRACTOR DE C
Less: Excess provision reversed/ Write-offs			in sures division. A	etti o irinta soo maada	-618.64	
Closing balance of provisions held	76.13	232.88	10.77		243.65	319.78
Net NPAs						
Opening Balance	Section States	590.47	28.21		618.68	avananciju po
Add: Fresh additions during the year				SANTAN CONTRACTOR	945.18	day da ana ilga basaga.
Less: Reductions during the year*	e di la cale de la ci	5000000000000000000000000000000000000	dan Gur	基格罗·m·chi	-1,050.61	
Closing Balance	resemble:	511.56	1.69		513.25	The state of the s

As at March 31, 2021

	Standard		Non-Pi	erforming		
Particulars	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non- performing Advances	Total
Gross Standard Advances and NPAs					111-11-11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	7
Opening Balance	9,816.63	162.88	157.93	-	320.81	10,137.4/
Add: Additions during the year#^	Logical Logical Jacobs	j- why digital distributed in the d	Carrie and Lange	grand and the second	828.19	
Less: Reductions during the year#*	TO SEE SECTION OF THE		esiglacies e	SEARCH PROPERTY	-291.01	
Closing balance	10,993.33	800.33	51,91	5.74	857,98	11,851,31
*Reductions in Gross NPAs due to:						
i) Upgradation					41.49	Married Marrie
ii) Recoveries (excluding recoveries from upgraded accounts)					16.82	
iii) Technical/ Prudential Write-offs	7 (CASA (CAS	robaliscă cârat c	STOP OF FIRST	30 % A (A) (A) (A)	218.80	
lv) Write-offs other than those under (iii) above					13.90	
Provisions (excluding Floating Provisions)						***************************************
Opening balance of provisions held	43.68	40.74	139.69	0	180.43	224.11
Add: Fresh provisions made during the year \$	Life of the life	ide a seco			291.58	
Less: Excess provision reversed/ Write-offs		OBSE NO BUT	reingre		-232.7	
Closing balance of provisions held	121.90	209.86	23.71	5.74	239.31	361.21
Net NPAs	***************************************		***************************************			Marie Marie Control of the Control o
Opening Balanco	Station (see Application)	122,14	18.24		140.38	a water and the
Add: Fresh additions during the year					617.77	in en en en en
Less: Reductions during the year*	A SPACE SHAPE SH	637 Kabasay		righter misselfer	139.48	afficiel in
Closing Balance	andrewaya (s.	590.47	28.21	-	618.68	the or the state of the state o

[#] Additions and reductions does not include accounts which turned NPA during a particular month and subsequently moved out of NPA in the same month.

^{\$} Represent provision made during the year (including write offs) as per the Profit & Loss account.







Balancing figure

[^] Outstanding balance as of March 31, 2021 has been considered in 'Additions during the year' for accounts which are classified as NPA post vacation of standstill of NPAs as per the Supreme Court judgement dated March 23, 2021 and the RBI circular dated April 07, 2021.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts are in Indian Rupees in Croses unless otherwise stated)

The Honourable Supreme Court of India (Hon'ble SC), vide an interim order dated September 03, 2020 in the writ petition (Gajendra Sharma Vs Union of India & Apr), had directed that the accounts which were not declared Non-Performing Assets ('NPA') till August 31, 2020 shall not be declared as NPA till further orders. Accordingly, an account, which was not classified as NPA as at August 31, 2020, had not been classified as NPA subsequently as per the RBI's Master Circular - Prodential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances (IRAC norms).

The interim order granted to not declare accounts as NPA stood vacated on March 23, 2921 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors. and other connected matters, in accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Bank has continued with the asset classification of borrower accounts for the financial year March 2021 as per the extant RBI instructions / IRAC norms.

Floating Provision as at March 31, 2022

Boding Freedom as as that are, core	Standard					
Particulars	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non- performing Advances	Total
Opening Balance		region in the Marien		公司会协议		
Add: Additional provisions made during the year	7 (1966) (19 (1966) (1966) (1966) (1966) (1966) (1966) (1966)					
Less: Amount drawn down during the year			Bally or a			
Cinsing balance of floating provisions						

Floating Provision as at March 31, 2021

Andrew State (1997) (Company of the Company of the	Standard					
Particulars	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non- performing Advances	Yotal
Opening Balance				the statement		4
Add: Additional provisions made during the year		ng Stary Je Nggapitan dang				
Less: Amount drawn down during the year						
Closing balance of Itoating provisions						

Technical or prudential write offs

Movement in the stock of technical and prudentially written-off accounts and recoveries made thereon is as given below:

Technical or prudential write-offs refer to the amount of non-performing assets which are outstanding in the books of the branches, but have been written-off (fully or partially) at the head office level.

Particulars	March 31, 2022	March 31, 2021
Opening balance of technical / prudential write-offs accounts	2,663.85	2,522.60
Add: Technical / Prudential write-offs during the year	552.63	218.80
Sub - Total (A)	3,216.48	2,741.40
Recoveries made from technical/ prudential written off accounts during the year	57.42	47.21
Actual Write-offs during the year	22.43	30.34
Sub · Total (B)	79.85	77.55
Closing balance (A-B)	3,136.63	2,663.85

Ratios (In per cent)	March 31, 2022	March 31, 2021
Gross NPA to Assets Under Management (AUM)	4.98%	6.73%
Net NPA to Net Assets Under Management (AUM)	3.43%	4.95%
Gross NPA to Gross Advances	5.71%	7,24%
Net NPA to Net Advances	3.95%	5.33%
		- early-marketing and a second
Provision coverage ratio (Including Technical write off)	86.82%	82.43%
Provision coverage ratio (Excluding Technical write off)	32.19%	27.89%







(Alf amounts are in Indian Rupees in Crores unless otherwise stated)

7(b) Sector-wise advances

And the state of t		March 31, 2022	novem terminos territorios establicas establicas establicas establicas de presidente de la composição de la
Sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A . Priority Sector			
1. Agriculture and allied activities	2,532.02	156 65	6.19%
2. Advances to Industries sector eligible as priority sector lending	940.45	9,59	1.02%
II) Textiles	121.24	2.11	1.74%
3. Services	1,388.84	41.87	3.01%
(i) Retail Trade	821.34	14.83	1.81%
4. Personal loans*	5,009.87	515.42	10.29%
Sub lotal (A)#	9,871-18	723.53	7.33%
B. Non Priority Sector		and the second of the second o	y an Mille of May of the control of
1. Agriculture and allied activities	**************************************		
2. Industry	79.51	0.11	0,14%
3. Services	1,750.02	6.31	0.36%
II) NBFCs	760.45	*	0.00%
(ii) Retail Trade	663.70	4,24	0.54%
4. Personal loans*	1,549.61	26.95	1.74%
Sub total (B)	3,379.15	33,38	0.99%
Total (A+B)	13,250.33	7\$6.90	5.71%

^{*}Personal Inan includes housing loans

Priority sectors includes ₹1,010 crores, in respect of which the Bank has sold Priority Sector Lending Certificates (PSLC).

The Bank has compiled the data for the purpose of this disclosure-from its internal MIS system/reports, which has been furnished by the Management and has been relied upon by the auditors.

		March 31, 2021	Chile Bernat de Miller Pares (Stang Stateg propriées personnesses prépares de
Sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A . Priority Sector	Монтовой и узований и узований под	**************************************	
1. Agriculture and allied activities	1,620.33	152.95	9.44%
2. Advances to industries sector eligible as priority sector lending	322.88	19.72	6.11%
3. Services	829.69	66.20	7,98%
4. Personal loans*	5,546.07	447.82	8.07%
Sub total (A)	8,318.97	686.69	8.25%
B. Non Priority Sector		not had in not have in a franchische in 1800 all the fine and a second	
1. Agriculture and allied activities	-	e lleratus (eller en etermanae en eperatu e en.	
2. Industry	256.60	30.51	11.89%
3. Services	1,584.96	30.98	1.95%
(I) NBFCs	642.84	gargetination of the state of t	0.00%
(ii) Retall Trade	408,01	15.52	3.80%
4. Personal loans*	1,690.81	109-81	6.49%
Sub total (B)	3,532.36	171.29	4,85%
Total (A+B)	11,851,33	857,98	7.24%

^{*}Personal loan includes housing loans

The Bank has compiled the data for the purpose of this disclosure from its internal MIS system/reports, which has been furnished by the Management and has been relied upon by the auditors.







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(All omounts are in Indian Rupees in Crores unless otherwise stated)

7(c) Overseas Assets, NPAs and Revenue

The Bank does not hold any overseas assets / NPA as at March 31, 2027 and no overseas operations were undertaken during the year ended March 31, 2022 hence revenue from overseas operation is Nil. (March 31, 2021: Nil)

7(d) Details of Resolution Plan implemented under Prudential Framwork for Resolution of Stressed Assets

There were no accounts that have been restructured under prudential framework on resolution of stressed assets as per the circular no. RBI/2018-19/203-DBR.No.BP.BC.48/21.04.048/2018-19 dated June 07, 2019 during the year ended March 31, 2022. (March 31, 2021: Nil).

7(e) Divergence in the asset classification and provisioning

KBI vide its circular DBR-BP.BC.No.63/21 04.018/2016-17 dated April 18, 2017 and Notification dated April 01, 2019, has directed banks shall make suitable disclosures, if either or both of the following conditions are satisfied:

(a) the additional provisioning for NPAs assessed by RBI exceeds 10 per cent of the reported profit before provisions and contingencies for the reference period, and

(b) the additional Gross NPAs identified by RBI exceed 15 per cent of the published incremental Gross NPAs for the reference period.

Inspection for the financial year ended March 31, 2021 and March 31, 2027 is yet to be conducted by the RBI.

7(f) Details of Non Performing Financial Assets Purchased / Sold

Details of loans transferred excluding through inter-Bank Participation Certificate (IBPC) during the year ended March 31, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below: (March 31, 2021; Nil)

Particulars Non-Performing Assets sold	To ARCs	To permitted transferees	To other transferees (please specify)
No. of accounts	911.00	w	A
Aggregate principal outstanding of loans transferred	131.49		
Weighted average residual tenor of the loans transferred	13.02	,	-
Net book value of loans transferred (at the time of transfer)	98.18	٦	-
Aggregate consideration	108.85		Market de philosophie e de source de service
Additional consideration realized in respect of accounts transferred in earlier years			,
Quantum of Excess provision reversed to Profit and Loss Account	-	,	C. C
The state of the s	أوار و موادر و و الرواسية و و الرواسية و و الرواسية و ا		

The Bank has not purchased / transferred any Special Mention Account (SMA) and loan not in default. (March 31, 2021 : Nil).

The Bank has not acquired any loans through assignment. (March 31, 2021: Nil)

The Bank has not acquired any stressed loan (March 31, 2021: Nit)

7(g) Fraud accounts

Parliculars	March 31, 2022	March 31, 2021
Number of cases Reported	772	573
Opening Balance	6.51	10.95
Amount of Fraud	5.56	3.78
Recovery / Write off of provision	(10.35)	(8.21)
Closing Balance*	1.73	6.51
Unamortised provision debited from 'other reserves' as at the end of the year	liN	Nil

* Includes reclass of fraud provision to 'Schedule 9 - Net advances' (provision for non-performing asset) amounting to ₹4,98 crores for the year ended March 31, 2021.







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crores unless otherwise stated)

Schedule 18 - Notes forming part of the Financial Statements for the year ended March 31, 2022

7(h) Disclosure under Resolution Framework for COVID-19 related stress

The disclosure requirements as required by RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 5, 2021 (Resolution Framework 2.0) as at March 31, 2022 is given below for the half year ending March 31, 2022:

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan—Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half- year	Of (A) amount written off during the half-year	Of (A) amount pald by the borrowers during the half- year	Exposure to accounts classified as Standard consequent to Implementation of resolution plan ~ Position as at the end of this half- year
Personal Loans	155.23	35.92	10.61	19.70	99.61
Corporate Persons	,	-	-		55.01
'of which MSMEs					
Öthers	577.81	200.77	32.17	119.45	257.60
Total	733.04	236.69	42.78	139.15	357.21

7(i) Particulars of accounts restructured for 'Micro, Small and Medium Enterprises (MSME) sector based on RBI guidelines dated January 01, 2019 and further extended by RBI circular dated February 11, 2020 & August 06, 2020.

The Bank has restructured accounts as below.

	Particulars*	March 31, 2022	March 31, 2021	
~	No of Accounts Restructured	6,407	8,001	
	Outstanding Amount	250,47	118,42	
	Provision Amount	20.25	5.92	

^{*} Represents active accounts

7(j) Disclosure on COVID - 19

The outbreak of the COVID-19 pandemic had led to a nation-wide lockdown in March 2020. This was followed by localised lockdowns in areas with a significant number of COVID-19 cases. Following the easing of lockdown measures, there was an improvement in economic activity in the second half of fiscal 2021. India experienced a "second wave" of the COVID-19 pandemic in April-May 2021 following the discovery of mutant coronavirus variants, leading to the re-imposition of regional lockdowns. These were gradually lifted as the second wave subsided.

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.

India is emerging from the COVID-19 pandemic. The extent to which any new wave of COVID-19 will impact the Group's results will depend on ongoing as well as 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 us.







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Could.)

(All amounts are in Indian Rupees in Crozes unless otherwise stated)

8. Disclosures relating to securitisation

Details of Sales

During the year ended March 31, 2022 (the Bank has not entered into any secuntisation transactions other than Direct assignments (as mentioned below) in accordance with the guidelines issued by the RBI (March 31, 2021 : NII).

Particular	March 31, 2022	March 31, 2021
(i) No. of accounts sold during the year		
(ii) Aggregate value of accounts sold during the year		
(iii) Aggregate Consideration received during the year		
(iv) Additional Consideration realised in respect of account transferred in earlier years		
(v) Aggregate gain over ner book value during the year		ng gang ang ang ang ang ang ang ang ang
(vi) MRR		
(vii) First Loss	,	
(vii) Outstanding Balance	41.74	41.55
(viii) No. of SPV transaction for securitisation transaction		-

Details of direct assignment transactions

The details of direct assignment activity of the Bank as an originator as per RBI guidelines to the Guidelines on Securitisation is given below.

Particular	March 31, 2022	March 31, 2021
(J) No. of accounts	652	r
(ii) Aggregate value of accounts sold to SC	2,66	
(iii) Aggregate Consideration	2.66	
(iv) Aggregate gain / loss over net book Value		

Details of book value of investment in security receipts (SRs) backed by NPAs

During the year ended March 31, 2022, the Bank has invested \$92.52 crores in Security Receipts (March 31, 2021; Nil).

9. Exposures

9(a) Exposure to real estate sector

Calekory	March 31, 2022	March 31, 2021
A) Direct exposure	1,753.21	1,457.42
(I) Residential mortgages*	1,753.21	1,457.42
(of which housing loans eligible for inclusion in priority sector advances)	1,254.82	690.05
(ii) Commercial real estate		March March Control of
(iii) Investments in mortgage backed securities (MBS) and other securitised exposure		,
a) Residential		
b) Commercial real estate		
B) Indirect exposure	product of the second control of the second	ti
Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies (HFCs).		-

^{*} Includes only housing loan

9(b) Exposure to Capital Market

During the year ended March 31, 2022, the bank has 'Nil' exposure to capital market instruments (March 31, 2021; Nil). The Bank has written off investments in equity shares of 4 10 each fully paid up full paid up ₹ 0.10 crores during the previous year ended March 31, 2021.

9(c) Risk Category wise Country Exposure

The Bank's exposures are concentrated in India, hence country risk exposure as at March 31, 2022 is Nil (March 31, 2021 : Nil).

9(d) Unsecured Advances

Mai Augented separation	A SEASON OF THE PROPERTY OF TH	
Particular	March 31, 2022	March 31, 2021
Total unsecured advances of the bank	5,943	5,650
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority,		
Estimated value of such intangible securities	A STATE OF THE PARTY OF THE PAR	in ann an annaise ann an annaise an Amhricann Meriddean (Annaise an Annaise an Annaise an Annaise an Annaise a

9(e) Details of Single Borrower Limit (SBL), Group Borrower Limit (GBL) exceeded by the Bank

During this year ended March 31, 2022 and previous year ended March 31, 2021, the Bank's credit exposures to single borrowers and group borrowers were within the limits prescribed under extant RBI guidelines.







SCHAFDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All-Amounts are in Indian Rupees in Crores unless otherwise stated)

9(f) Factoring Exposure

The Bank does not have any factoring exposure as at March 31, 2022 (March 31, 2021 : Nil).

9(g) htra Group Exposure

The Bank does not have any intra group exposure as at March 31, 2022 (March 31, 2021 : Nil).

9(h) Unhedged Foreign currency Exposure

The Bank doesn't have any unhedged foreign currency exposure as at March 31, 2022 (March 31, 2021; Nil)

10. Concentration of Deposits, Advances, Exposures and NPA's

10(a) Concentration of deposits

Particulars	March 31, 2022	March 31, 2021
Total deposits of twenty largest depositors	1,786.10	-,
Peretintage of deposits of twenty largest depositors to total deposits of the Bank	13.19%	12.57%

10(b) Concentration of advances

Particulars	March 31, 2022	March 31, 2021
Total advances to twenty largest borrowers*	815.08	603.12
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	6.17%	5.11%

^{*}Advances comprise credit exposure (funded and non-funded credit limits) including derivative transactions if any, computed as per current exposure method in accordance with RIII guidelines.

10(c) Concentration of Exposures

Particulars	March 31, 2022	March 31, 2021
Total exposure to twenty largest borrowers / customers*	815.08	603.12
Percentage of exposure of twenty largest borrowers / customers to total exposure of the Bank on	C 470	(******
borrowers / customers	6.17%	5.11%

^{*}Exposures comprise credit exposure (funded and non-funded credit limits) including derivative transactions and Investment exposure if any, in accordance with RBI guidelines.

10(d) Concentration of NPAs

Particulars	March 31, 2022	March 31, 2021
Total Exposure to the top twenty NPA accounts	15.00	19.83
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs	1.98%	2.31%









JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.) (All empunts are in Indian Rupees in Crores unless otherwise stated)

Schedule 18 · Notes forming part of the Financial Statements for the year ended March 31, 2022

11. Asset Liability Management (ALM)

Assets and liabilities are classified in the maturity buckets as per the guidelines issued by the RBI.

					Balances with		
As at March 31, 2022	Deposits	Advances*	Investments	Borrowings	banks and	Foreign currency	Foreign currency
		macado e C			money at call	assets	liabilities
				•	and short notice	,,	
24. Ye	52.53	44.34	2.886.96	283 77	30.0		
2 to 7 Days	414,43	(330.13)	A.5 32	37.66	2000		
8 to 14 Days	40014	10.1 6667		C1:17	OWNER	1	
The state of the s	75.050	(223.55)	NT. 7.5	1		,	
25 to 50 tays	271.06	218.72	45.86	,			
31 Days and up to 2 months	65.000	157 731	14. 44.4		,	,	,
The second of th		12000	07:177	76.00	,		
WORL WAR & HOURS AND UP to 3 MONTHS	776.95	383.79	174.97	•			
Over 3 months and up to 6 months	1,489.72	968.56	51333	200000			,
Over 5 months and up to 1 year	12000	0.000	7	Z.W.,		,	
	70.cm.'c	UC,889.5	505.37	95861		,	
Over 1, tear and up to 3 years	5,631,73	4,167.56	944.51	28002			
Over 3 Years and up to 5 years	459.31	1 450 70	197 95	20 35.5	72.7		
Over 5 years	•00		200	DO C 12		,	1
	3075	3,876,05	12.19	75.00	050	,	
101.41	13,540.20	13,006,68	5.065.26	4 509 83	10 150		
			,		10:15	1	

(٠٠٠٠٠	···· 4		y-		·~··	~~~	ب		т~			~~-	
Foreign currency liabilities			-					•						
Foreign currency assets				•		,		,	,	-				•
Balances with banks and money at call	and short notice	83.450.4	73.CA		3	4	76'5	106.07	5.40	2		0.51	1 797 48	. >
Sorrowings	3.05	2000	43.43		900	200.00	87.91	4/1.69	619.15	2,063.38	1.368.47	34.85	4 815 37	- II - I
investments	7 689 5	0 F X E	27.62	20.07	02 66.	26.66.	12.4.5.	14.41	415.45	821.78	10.66	1.35	4,697.79	
Advances*	15.01	164.43	173.521	556 59	82 997	378 05	1 231 67	10.101.4	7,400.04	3.041.48	1,134,14	2,350.25	11,611.92	
Deposits	27.57	189.80	167.07	261.82	623.81	228.39	1 804 83	20 800 6	003-057	5,162,60	449.55	9.13	12,385.93	
As at March 31, 2021	Day .	2-7 Days	8-14 Days	15-30 Days	31 Days and up to 2 months	More than 2 months and up to 3 months	Over 3 months and up to 6 months	Over 5 months and to red twee	Over 1 Vest sod on to 3 years	ישים פוני חלו כי אלפיני	Giver a Years and up to 5 years	Over 5 years	Total	

Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compling the return submitted to the RBI.

RBI vide it's circular dated March 27, 2020 on 'Cowd-19 Regulatory Package' permitted the Banks to grant a moratorium of theje months on payment of all instalments falling due between March 1, 2020 and May 31, 2020. Also, RBI vide it's circular dated May 23, 2020 further extended the maratorium period by another three months from June 1, 2020 to August 31, 2020. The Bank in line with the said circulars has offered moratorium to all its customers for the said period and has incorporated the effect of the moratorium on the respective maturity buckets presented above. The Bank estimates that considerable portion of the cash flows impacted by the moratorium will be received within 1-3 years from the balance sheet date and the same has been factored in the above disclosure.

"Negative number in advances indicates amount due under Inter-Bank Participation Certificate with risk sharing



Chartered Accountants

JANA SMALL FINANCE BANK LIMITED SCHEDULES FOR THE YEAR ENDED MARCH 31, 2022 (Contd.) (All omounts are in Indian Rupees in Crores unless atherwise stated)

12. Liquidity Coverage Ratio

Quantitative information on Uquidity coverage ratio (LCR) is given below:

	June 30, 2021	3, 2021	Septembe	September 30, 2021	Decembe	December 31, 2021	March 31, 2022	1, 2022
Particulars	Total unweighted value	Total weighted value (average)	Total unweighted value	Total weighted value (average)	Total unweighted	Total weighted value (average)	Total	Total weighte value (average
1 Total High Quality Liquid Assets (HQLA)	6,688.65	6,688.65	5,895.18	5.895.18	5.689.71	5 689 71	4 807 91	a 50% a
Cash Outflows						- 1100010	†*************************************	0.000,4
2 Retail deposits and deposits from small business customers, of which:	7,420.60	499.07	7,661.02	516.25	7.884.26	538.39	7 271 59	0.555
(1) Stable deposits	4,859.67	242.98	4,997.11	249.86	5,000,76	250.04	5.066.63	S. S
(ii) Less stable deposits	2,560.93	256.09	2,663.91	266.39	2.883.50	288.35	7.804.96	1 CEC
3 Unsecured wholesale funding, of which:	1,074.05	104.00	1,035.86	96'96	1,054.49	101.60	997.34	4 v
(i) Operational deposits (all counterparties)		_		1	,	•	,	,
(ii) Non-operational deposits (all counterparties)	1,074.05	104.00	1,035.86	96.96	1,054.49	101.60	997.84	4.7.0
(iii) Unsecured debt			_					
4 Secured wholesale funding	120.77	120.77	96.87	18'96	338.41	338.41	274.12	37.4
5 Additional requirements, of which	60.71	3.04	55.14	2.76	70.35	3.52	85.88	4
(i) Outflows related to derivative exposures and other collateral requirements		-				,	,	
(ii) Outflows related to loss of funding on debt products		,	,	,	r	,		
(iii) Credit and liquidity facilities	60.71	3,04	55.14	2.76	70.35	3.52	85.88	*i
6 Other contractual funding obligation	350.49	350.49	267.94	257.94	112.09	112.09	259.71	259.3
7 Other contingent funding obligations	37.44	1.83	39.66	1.91	39.56	1.91	39.66	
8 Total cash outflows	9,054.06	1,079.20	9,156.49	982.69	9,499.26	1,095.92	9,528.80	1,169.3
Cash Inflows								
9 Secured lending (e.g. reverse repo)	-		-		*	,	,	-
10 Inflows from fully performing expasures	696,70	348.35	735.47	367.73	738.28	369.14	605.55	302.7
11 Other cash inflows	1.03	1.03	0.24	0.24	0.99	0.99	0.39	6.0
12 Total cash inflows	697.73	349.38	735.71	367.97	739.27	370.13	605.94	303.
21 Total HQLA	6,688.65	6,583.65	5,895.18	5,895.18	5,689.71	5,689.71	4,807.91	4,807.9
22 Total Net Cash Outflows	8,366.33	729.82	8,420.78	614.72	8,759.99	725.79	8,922.86	866.
23 Liquidity Coverage Ratio (%)		916.48%		929.00%		783.93%		555.1







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crores unless otherwise stated)

12. Liquidity Coverage Ratio contd.,

	f addit	11:04 30 2030	,					
• •		2, 22, 23	achiemor.	3eptember 30, 2020	Decembe	December 31, 2020	March	March 31, 2021
raricolars	iotai	Total weighted	Total	Total maintend	Total		Total	
100 mm - 100	unweighted	value (average)	unweighted	value (average)	unweighted	foral weignted	unweighted	Total weighte
1 Total High Quality linning Ascets (HO) a)	Value		value	1-92	value	tageraverage)	on jen	value (average
Cash Cuttleux	2,962.21	2,962.21	4,625.75	4,625.75	4,500.67	4.500.67	5 709 03	0 607. 3
							00.00	0.0001.00
4 Retail deposits and deposits from small business customers, of which:	5,096,25	375 48	5 507 63	00000	27 230 1			
(i) Stable deposits	00 503 0		36.10.1	26.25	5,954.43	392.81	6,718.31	404.3
(ii) Less stable deposits	4,002.30	124.13	3,776.88	188.84	4,058.49	203,42	4,550.43	227.5
3 December 1000 here have been been been been been been been be	2,413.27	241.33	1,820.55	182.06	1,893,94	189.39	7168 38	0.010
Construction of the second of	943.51	91.08	1,045,15	101.32	2.49.71	70 07	01000	2.10.0
(i) Operational deposits (all counterparties)	-			70:00	17:010	04/5/	77.000	6.03
(ii) Non-operational deposits (all counterparties)	043 51	90.10	1 740			1	,	
(iii) Unsecured debt		20047	1,043.13	101.32	849.21	79.48	835.72	80.9
4 Secured wholesale funding	1 1 1 1 1	,	_			1		,
S Additional Familianes of Littin	72,527	233.57	137.09	137.09	262.83	252.83	97.51	9.05
E Countral and the first of Which	45.48	15.72	19.94	8	75.30	1 27	51.53	2 7
(i) Cuttiows related to derivative exposures and other collateral requirements	,	1	,			, 7-7	20.10	67
(ii) Outflows related to loss of funding on debt products					1	,	'	,
(iii) Credit and liquidity facilities	87.57	15.73	, 00	, ,	,	,	,	•
6 Other contractual funding obligation	3000	77:00	かがか	1.00	25.34	1.27	51.65	NA.
7 Other continuent funding philaphons	112.92	112.92	169.89	169.89	173.61	173.61	240,19	740.1
8 Total rash outflows	38.09	1.88	37.16	1.83	37,16	1.83	37.19	1000
Cash Inflows	6,469.82	830.65	7,006.66	782.03	7,310.58	911.83	7,977.14	862.4
9 Secured lengths (e.g. reverse rend)			-					
10 (.5)	•	,	1	,	,			
14 intows from fully performing exposures	243.89	127.08	557.31	284.93	659 76	33058	380.45	1 000
11 Uther cash inflows	0.05	0.05	20	100	20.00	25.5.50	04.047	370.2
12 Total cash inflows	20 527	27.773	200	10:0	50.47	54.X.52	16.44	16.4
21 Total HQLA	16 630 6	C71.77	757766	284.94	683.80	353.92	756.90	386.6
22 Total Net Cash Outflows	233000	17705'7	4,b/5./5	4,625.75	4,500.67	4,500.67	5,708.03	5,708.0
23 Liquidity Coverage Ratio (%)	0,22,00	703.32	5,449.34	497.09	6,626.78	557.91	7,220.24	475.8
Notes		421.06%		930.57%		806.70%		1199.67

Average weighted and unweighted amounts are calculated taking three point averages for all quarters for the relevant period and not as simple average based on daily observation for the respective quarters. As on date parameters have been considered compute the monthly averages which in turn is used as an average for the quarter

The discinsure of average weighted and unweighted amounts are calculated as simple average based on dally observation for the respective quarters.

Qualitative disclosure on LCR

1. The Liquidity Coverage Ratio (LCR) is a global minimum standard for bank liquidity. It aims to ensure that a bank has an adequate stock of unencombered high-quality liquid assets (HQLA) that can be converted into cash immediately to make its haping needs for a 30 calendar day hquidity under stress scenario. 2. The LCR is calculated by divibing the amount of high quality liquid unencumbered assets (HQLA) by the estimated net outflows over 30 calendar day period. The net jash outflows are calculated by applying RBI prescribed outflow factors to the vari

3. The Bank has started submitting LCR reports to RBI from March 2018. Currently the Liquidity Coverage Ratio is higher than minimum regulatory threshold. The Bank follows the criteria laid down by the RBI for month end calculation of High Cuality Liq securities, marginal liquid ty facility allowed by RBI under marginal standing facility (MSF) and facility to avail liquidity coverage satio (FALLCER). Bank is presently funded through deposits, IBPC and long term borrowings will Debendures, Tyrin Assets (HOLA), gross outflows and inflaws within the next 30-days period (subject to Note" mentioned above). HOLA predominantly comprises Government securities in excess of minimum SIR and CRR requirement vit. Treasury Sills, Central govern categones of liabidities (deposits, unaccurred and secured wholesale borrowings), as well as to undrawn commitments and derivatives-related exposures, partially offset by inflows from assets maturing within 30 days.

4. The Bank clessifies all the deposits from non-natural persons into Non-operational deposits (all counterparties) under Unsecured Wholesale Funding.

Accountants/ Chartered

and money market operations. All significant outflows and inflows determined in accordance with ABI guidelings are included in the prescribed LCR computation.

contractual inflows from the outstanding exposures pertained to fully performing advances without any reason to expect any default within the 30-day time navizon. The Bankismanthy to substantiate whe



SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Ruppes in Crores unless otherwise stated)

13. Contingent liabilities

Contingent liabilities	March 31, 2022	March 31, 2021
income tax liability	30,47	35.91
Guarantees given on behalf of constituents	2.50	2,50
Others	8.77	9.05
Total	41.74	47.46

In February 2019, the Honourable Supreme Court of India in its Judgement clarified that certain special allowances should be considered to measure obligations under Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the PF Act). The Dank has been legally advised that there are interpretative challenges on the application of Judgement retrospectively and as such does not consider there is any probable obligations for past periods. Due to imperative challenges, the Bank has not disclosed contingent liability amount for past liability.

Description of contingent liabilities

rescription of contrigery usualtes	g Land against the same of the
Claims against the Bank not acknowledged as debts - taxation	The Bank is a party to various taxation matters in respect of which appeals are pending. The Bank expects the outcome of the appeals to be favorable based on decisions on similar issues in the previous years by the appellate authorities, based on the facts of the case and taxation laws.
2. Claims against the Bank not acknowledged as debts - others	The Bank is a party to various legal proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.
3. Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities, the Bank issues guarantees on behalf of its customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.
- ,	These Include: a) Guarantees given by Bank b) Credit enhancements in respect of securitised-out loans; c) Bills rediscounted by the Bank; d) Capital commitments.

14. Employee benefits

Employment benefits - Gratuity

The Bank has non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and years of service. Bank provides for gratuity as per the provisions of Payment of Gratuity Act, 1972, as amended. The scheme is funded with Life Insurance Corporation of India. The following tables summarise the components of net benefit expense recognised in the Profit and Loss Account and the funded status and amounts recognised in the Balance Sheet.

The defined gratuity benefit plans are valued by an independent actuary as at the Balance Sheet date using the projected unit credit method as per the requirement of AS-15.

During the year ended March 31, 2022 and March 31, 2021, the Bank does not have unamortised gratuity and pension liability.

Expenses recognised in the Profit and Loss Account

Expenses recognised in the Front and Loss Account		
Particulars	March 31, 2022	March 31, 2021
Current service cost	3.17	2.62
Interest cost on benefit obligation	0.11	(0.11)
Past service cost vested benefit recognised during the year		-
Net actuarial loss recognized in the year	5.09	6.27
Employer Expenses	8,37	8.78

Net Liability/ (Asset) recognised in the Balance Sheet

Net Liability/ (Asset) recognised in the Balance Sheet		
Particulars	March 31, 2022	March 31, 2021
Present value of Defined Benefit Obligation	23.02	18.21
Fair value of plan assets	23,44	15.37
Net (asset) / liability recognized in balance sheet	(0.42)	2.84
Less: Unrecognised Past Service Cost		
(Asset)/Liability recognized in balance sheet	(0.42)	2.84







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crares unless otherwise statea)

Reconciliation of Defined Benefit Obligation (DBO)

Particulars	March 31, 2022	March 31, 2021
Present Value of DBO at start of year	18.21	11.41
Interest cost	0.70	0.73
Current service cost	3.17	2.62
Past service cost vested benefit recognised during the year		
Benefits paid	(3.82)	(2.30)
Actuarial loss/(gain)	4,76	5.75
Present Value of DBO at end of year	23.02	18.21

Reconciliation of Fair Value of Plan Assets

Particulars	March 31, 2022	March 31, 2021
Fair Value of Plan Assets at start of year	15.37	13.06
Expected return on plan assets	0.59	0.84
Contributions by employer	11.63	4.29
Benefits paid	(3.82)	(2.30)
Actuarial gain /(loss)	(0.33)	(0.52)
Fair value of plan assets at end of year	23.44	15,37

Investment details of plan assets

Particulars	March 31, 2022	March 31, 2021
	менти из 2000 М. тиме, минет. "Возина-голический принетальной и тольков согласти.	Compound of the control of the contr
Balance with Life Insurance Corporation of India (LIC)	23,44	
**************************************	احتمامه مساسسيس مصححات فستنتها ومالوطال وكالمناد وأحيتماء مجمسه والدادي بمنادات	

Information of investment details of plan assets are not available, hence not disclosed and the obligation is funded with UC.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 202	2 M	larch 31, 2021
Discount rate	5.1	5%	3.86%
Expected rate of return on assets	5.1	5%	3.86%
Employee turnover (in service 0 years and below)	4	2%	53%
Employee turnover (in service 1 years to 2 years)	3	9%	46%
Employee turnover (in service 3 years to 4 years)	3	1%	44%
Employee turnover (in service 5 years and above)	2	3%	33%
Salary growth rate	6,0	0%	6.00%
Adaptality Cara Crisian Complana and Indian Secured Lines & Sastality (1018)	IALM 2012	-14	IALM (2006-08
Mortality Rate During Employment - Indian Assured Lives Mortality (IALM)	(Սrե։	an)	Ultimate
Expected average remaining working lives of employees	2 Ye.	ars	1 Year

Experience Adjustments for the year ended March 31, 2021

and distriction to the feet distriction of the feet di					
Particulars	FY 21-22	FY 20-21	FY 19-20	FY 18-19	FY 17-18
Present Value of DBO at the end of the year	23.02	18.21	11.41	7.56	5.65
Fair Valuation of Plan Assets	23,44	15.37	13.06	14.54	9.59
Funded Status (Surplus/(Deficit))	0.42	(2.84)	1.66	6.89	3,94
Experience adjustment on plan liabilities: Gain / (Loss)	(3.54)	(3.45)	(1.71)	(1,74)	(3.16)
Experience adjustment on plan Assets : Gain / (Loss)	(0.33)	(0.52)	(1.04)	(0.69)	(0.64)

Defined Contribution Plan - Provident Fund

The Bank makes Provident Fund contributions to Employees Provident Fund Organisation for qualifying employees at the specified percentage of the payroll costs to the Fund. The has Bank recognised ₹ 37.99 crores (March 31, 2021: ₹ 34,30 crores) towards Provident Fund contributions.

Employee benefits - compensated absences

The actuarial liability in respect of privilege leave granted to employees of the Bank and outstanding as at March 31, 2022 is \$ 6.52 crores (March 31, 2021: \$ 6.06 crores).

Assumption used in determining the privilege leave liability

	March 31, 2022	March 31, 2021
Discount rate	5.15%	3.86%
Salary escalation rate	6%	6%
Attrition rate:	March 31, 2022	March 31, 2021
For service 0 years and below	42%	\$3.00%
For service 1 years to 2 years	39%	46,00%
For service 3 years to 4 years	31%	44.00%







15. Disclosures on Remuneration

A) Qualitative Disclosures

(a) Information relating to the bodies that oversee remuneration.

Name, composition and mandate of the main body overseeing remuneration

The Nomination and Remuneration Committee (NRC) of the Board is the main body overseeing remuneration. As at March 31, 2022, the NRC had five members of which three are Independent Directors. The functions of the Committee Include recommendation of appointment of Directors to the Board, evaluation of performance of the Board, its Committees and directors including the Managing Director & CEO, overseeing the grant of options under the Employees Stock Option Scheme.

External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process

Not Applicable

Scope of the Bank's remuneration policy (e.g. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches

The Remuneration Policy of the Back was approved by the Board on February 8, 2018, pursuant to the guidelines issued by RBI, to cover all employees of the Bank.

The Remuneration policy was amended by the Board on August 13, 2020 to align the policy in line with current regulatory amendments, Compensation Policy covers all employees of the Bank.

Type of employees covered and number of such employees

All permanent employees of the Bank are covered. The total number of permanent employees of the Bank at March 31, 2022 was 15,641 (March 31, 2021: 16,891), who were live as on reporting date including those on probation and confirmed employees.

b) Information relating to the design and structure of remuneration processes and Key features and objectives of remuneration policy

The compensation philosophy of the Bank is structured to support the achievement of the Bank's on-going business objectives by rewarding achievement of objectives linked directly to its strategic business priorities. The main objectives of the remuneration policy of the Bank are as follows:

- · Attract, engage and retain talent
- . Ensure fairness in the pay structure
- * Ensure alignment with the organizational values, i.e., Honesty, Discipline, Respect, Service
- Foster a culture of rewarding and recognizing performance.

Effective governance of compensation:

The NRC shall oversee the framing, review and implementation of the compensation policy.

Alignment of compensation philosophy with prudent risk taking:

The employee's compensation will take account of the risks that he/she takes on behalf of the organization and intends to discourage excessive risk taking. It ensures that the compensation works in harmony with other practices to implement balanced risk postures. Also, the committee shall ensure that employees engaged in financial and risk control will be interdependent, have appropriate authority and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the Bank.

Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made:

The Board/NRC has reviewed the Bank's remuneration policy during the year under review

Discussion of how the Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee:

The committee shall ensure that employees engaged in financial and risk control will be independent, have appropriate authority, and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the Bank. The remuneration for the employees in the risk and compliance function will be determined independent of other business areas and shall be adequate to attract qualified and experienced professionals. The performance measures of such employees shall be based principally on the achievement of the objectives of their functions.

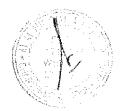
c) Description of the ways in which current and future risks are taken into account in the remuneration processes.

Overview of the key risks that the Bank takes into account when implementing remuneration measures:

The committee shall work in close coordination with Risk Management Committee of the small finance bank, in order to achieve effective alignment between remuneration and risks.

Overview of the nature and type of key measures used to take account of these risks, including risk difficult to measure

Compensation works in harmony with other practices to implement balanced risk postures.







15. Disclosures on Remuneration (Contd.)

Discussion of the ways in which these measures affect remuneration:

The employee's compensation will take account of the risks that he/she takes on behalf of the organization and intends to discourage excessive risk taking. It ensures that the compensation works in harmony with other practices to implement balanced risk postures.

Discussion of how the nature and type of these measures have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration:

Not applicable

d) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration:

The main performance metrics include profitability, business growth, asset quality, compliance and customer service.

e) A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting:

The Banks remuneration policy covers Whole Time Directors / Chief Executive Officer/ Other Material Risk Takers of the Bank.

f) Description of the different forms of variable remuneration (i.e., cash and types of share-linked instruments) that the bank utilizes and the rationale for using these different forms.

Variable remuneration includes following distinct forms:

1. Statutory Bonus:

Statutory Bonus is paid as per Payment of Bonus Act, 1965.

2. Variable Pav :

Variable pay component ensures that we reward the employees based on the Individual achievements and the Bank's performance measured against goals established for the performance year.

a) Cash Bonus:

The budget for Annual Cash Bonus, will depend on the bank's profitability. The actual pay-out to the individual will further depend on his/her performance, and at the sole discretion of the management.

b) incentives:

All Business roles up to the level of Zonal Business Heads are eligible for incentives. Pay out of incentive for aggregator roles depends upon average incentives earned by the front line team. These incentives are capped to ensure integrity and compliance.

For the front line field roles like CREC, CRES, BDE, Area Heads in Collections, Assets and Liabilities Collections, incentives are paid on a monthly basis. Roles in operations such as CRE, Teller, BOM or other aggregator roles in Business like Branch Sales Manager, Regional Heads and Zonal Heads, a portion of monthly incentives are retained and is paid after the end of performance year. Any addition/modification would be approved by the MD&CEO.

c) Share-linked Instruments:

Currently ESOPs/ RSUs are granted to employees by the management, based on the Board approved schemes. Share-linked instruments will be fair valued on the date of grant by the bank. As per the Good Leavers policy of the Bank, payment towards any deferred instrument or cash bonus will require approval of the MD&CEO.

3. Rewards & Recognition:

The Bank may, with the approval of the MD&CEO, run various contests for its employees to support the achievement of the Bank's ongoing business objectives. These contests may carry financial/other rewards as permitted by extant regulations.







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (CONIG.)

(Ail amounts are in Indian Rupees in Crores unless otherwise stated)

15. Disclosures on Remuneration contd..

The quantitative disclosures covers details of Whole Time Directors / Chief Executive Officer/ Other Material Risk Takers of the Bank. Key Material Risk Takers are individuals who can materially set, commit or control significant amounts of the Bank's resources, and / or exert significant influence over its risk profile,

B) Quantitative Disclosure

7			
of. No.	Subject		
(g)	Number of meetings held by the NRC during the financial year and raminomic acid.	March 31, 2022	March 31, 2021
	members	Number of meetings: 5	Number of meetings: 7
3	Number of employees having received a variable remineration and during the	Remuneration pard: < 0.04 crores	Remuneration paid: ₹ 0.07 crores
	year	Vone	None
(b) (ii)	Number and total amount of sign on awards made chrime the financial		***************************************
(6)	inia: year	3400e	None
	3115	None	None
2 (2)	octains of severatice pay, in addition to accrued benefits, if any	None	Shop
(1)	deferred remuneration,	3,69,029 shares granted under ESOP scheme	split into cash, shares and share linked \$,69,029 shares granted under ESOP schemel 6.67.617 shares
J 4 40,	instruments and other forms	and 90,384 units under RSH scheme till March	and 90,384 units under RSH crheme till starthing to 100,384 units under RSH crheme
		31, 2022, yet to be exercised.	31 2021 votto ha exercised
			ייין או מייי מיייני מיייין או מייין או מיייין או מייין או מיייין או מייין איין איין או מייין או מייין איין איין איין איין איין איין איי
		1,26,510 shares granted under ESOP scheme 25,672 units granted under	25.672 units grapha harden still 25.62
·		and 19,167 units under RSU scheme duringiduring the year	
		the year.	
		The of total arants 2 31 905 ESC 9 Continue	Out of total grants, 1,41,916 ESOP options
**********	rd .	and 19,167 RSUs are unvested as on March 2007	and 19,167 RSUs are unvested as on March 2021.
	m	31, 2022.	
(c.) (ii)	Total amount of deferred remuneration paid out in the financial year	170	
(E)	the Spancial year to show fixed and	**************************************	ı
			Fixed Pay : ₹ 4.56 crores
	~	Car elwis 2 4 U.39 crores	Car EMI : ₹ 0.13 crores
		Variable pay : 4 4.20 crores	Variable pay: ₹ 1.21 crores
(6)	Total amonot of outstanding defended on	Deferred pay: Nil	Deferred pay : Nil
	ex-post explicit and / or implicit adjustments	ore	None
(11) (13)			
		None	None
(iii) (a)	Total amount of reductions during the financial year due to ex post implicit adjustments		Total Control of the
		arcox	None
450	With the second		

1. The remuneration does not include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Bank as a whole. 2. Fixed pay includes basic salary, contribution to provident fund and reimbursements.

is of 8,849 units allotted on 01-Apr-21 related to the financial year 2019-20. 3. Includes restrictive.



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Chartered ' (Accountants)



JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crores unless otherwise stated)

15. Disclosures on Remuneration

Dr. Subhas Khui	SC NO.	Sr. No. Particulars of Remuneration							
Wikizam Gandhii R. Ramaseshan Chirra Talwar Eugene Karrhak P R Seshadri Dr. Subhas Khuntia Total Amountia tee meetings 0.04 0.08 0.08 0.05 0.07 0.07 tee meetings Ramesh Ramanathan Rabul Khosla 0.06 0.08 0.08 0.05 tee meetings . . 0.06 0.06 		I Independent Signary	£		Name of the	Directors			
Itee meetings 0.04 0.08	,		Vikram Gandhi	R. Ramaseshan	Chiffer Talesco				
Comparison Com		Fee for attending board committee meetings	400		Cittle 1d Wef	tugene Karthak	P R Seshadri	Dr. Subhas Khuntia	lotal Amount
tee meetings		Chemica	55.5	0.08	800	200	200		
Ramestings Co.04 0.08 0.08 0.00			3			The state of the s	\$0.0		00 (1)
Rameetings Rameetings Code		Others, (Professional Fees)				*		,	With the second
Comparison Com		(Total (1)		-		1		100	
Ramesh Ramanathan Rahul Khosla 0.05 0.05 0.05 			20.0	0.08	800				6
Rametings Rahul Khosla Cook Cook <td></td> <td></td> <td></td> <td></td> <td>000</td> <td>0.05</td> <td>0.08</td> <td></td> <td>129 12</td>					000	0.05	0.08		129 12
Ramesh Ramanathan Rahul Khosla . 0.06 0.06 . . .	,	Other Moo Google							0,000
d committee meetings	1	CONT. MONTEACCURACE DIRECTORS	Ramesh Ramanathan	Pahrel Khoeta					
0.05 0.05 0.05 0.05 0.05 0.05 0.05 0.05		Fee for attending board committee meetings		picolo in inchi					
		Commission		0.06	· ····································				
0.04 0.08 0.05 0.05 0.05			•						350
0.04 0.14 0.08 0.05 0.05 0.05		Others, please specity							
0.06 0.06 0.08 0.08 0.05 0.05		Total (2)							
0.04 0.14 0.08 0.05 0.08			*	0.06					
0.05 0.05 0.05		Total (1)+(2)	26.0				,	*	30.6
				D7.10	90.0	0.05	30.0	610	1000
	Yen Che	Consideration caid to ather discount and the							

Remuneration paid to other directors for the year ended March 31, 2021

			Morne of the O	0,000			
1 Independent Directors	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		317 10 311011	Directors.		lou.	
The state of the second	FINE CHICAL	Vijayalatha Reddy	R. Ramaseshan	Chitta Talwar	Contract Contract		Total Amount
The Internating posts committee meetings	0.02	800				r n sesnadri	
Commission			17.0	0.09	0.07	200	1 C
Others place specify			,	"			
		•				-	
Total (1)	600	4					
	70.05	60.0	0.11	0.09	100		
	-				1000	0.07	3. A. C.
2 Other Non-Executive Directors	111111111111111111111111111111111111111				to Walter		
	nether hamanahan	Puneet Bhatia	Sahut Khoda				
ree for attending board committee meetings				The state of the s			
Commission			0.06				***************************************
	1	1					30.5
Others, please specify			-		VIII		
Total (3)		-	,		-		
10101	•	•	1 70 0				
Total (1)+(2)			0.00	ı	•	*	
	0.02	60.0	11.0	000			60.0
Coveral Celling as per the Act (stiting fees not to extreed \$ 1/10 And not measing) the South Colling as per the Act (stiting fees not to extreed \$ 1/10 And not measing) the South	exceed # 100 OP cor mee	The Court	77.0	50°0	0.07	0.07	
Companies Act 2012	שני ביי ביי ביי ביי ביי ביי ביי ביי ביי ב	with the pank pays of	RING fees to Non-Execu	tive Directors which is t	elow the reline of # 10	OOO ser mooring or	





SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crores unless otherwise stated)

16. Segment Reporting

Business Segments

Business segments have been identified and reported taking into account, the customer profile, the nature of products and services, the differing risks and returns, the organisation structure and the

a) Treasury

The treasury segment primarily consists of entire investment portfolio of the Bank.

b) Retail Banking

The retail banking segment serves retail customers through a branch network. Exposures are classified under retail banking taking into account the status of the borrower (orientation criterion), the nature

Revenues of the retail banking segment are primarily derived from interest and fees earned on retail loans, interest on deposits placed as collateral with banks and financial institutions. Expenses of this segment primarily comprise interest expense on borrowings, deposits, infrastructure and premises expenses for operating the branch network, personnel costs and other direct overheads.

c) Wholesale Banking

Wholesale Banking includes all advances to companies and statutory bodies, which are not included under Retail Banking.

d) Other Banking Operation

Other Banking includes other items not attributable to any particular business segment.

e) Unallocated

All items which are reckoned at an enterprise level are classified under this segment. This includes capital and reserves, and other unallocable assets and liabilities not identifiable to particular segment such

Geographical segments

The business operations of the Bank are concentrated in India hence the Bank is considered to operate only in domestic segment.

Segment Notes:

1. The Reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compilance with the RBI guidelines.

2. The Bank has formulated and implemented funds Transfer Pricing (FTP) methodology during the year ended September 30, 2020 and the allocation of revenue and cost on account of FTP is made

Unallocated assets and liabilities pertains to the assets and liabilities not identifiable to the particular segment.







JANA SMALL FINANCE BANK LIMITED SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.) (All amounts are in Indian Rupees in Crores unless otherwise stated)

Segment reporting for the year ended March 31, 2022 and previous year ended March 31, 2021 is given below:

Business Segments	Trea	Treasury	Corporate / Wh	Corporate / Wholesale Banking	Retail Banking	anking	Other Bankin	Other Banking Operations	Total	
Particulars	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended
Revenue	57.77	794,96	125.14	58.85	3,806.52	3,599.13	28.61	26.18	4,942.04	4,479.16
Less: Inter Segment Revenue									(1,891,74)	(1,746,37)
Income from Operations									3.050.30	2 737 79
Result	(115.69)	(97.75)	29.11	777	76.18	176.34	15.81	(2.05)	5.41	15 28
Unaflocated result)
Operating profit									5.41	54.37
Income taxes										
Extraordinary profit/foss										
Net profit									5.41	88
Other information:										
Segment assets	6,605.94	6,942.53	1,395.22	874.94	11,989.65	11,016.79	5.84	18.45	19,996,61	18,852 71
Unallocated assets									192.06	238.20
Total assets	6,605.94	6,942.53	1,395.22	874,94	11,989.65	11,016.79	5.84	18,45	20,188.71	19,090.91
Segment liabilities	4,627.53	4,916.07	11.77	7.45	14,322.65	13,012.24	*	,	18,961.95	17,935.76
Unallocated liabilities									26.06	28.2
Capital and reserves	1,978.41	2,026.46	1,383.45	867.49	(2,333.00)	(1,995.45)	5.84	18.45	1,034.70	916.95
Unallocated capital and reserves			4						166.00	209 83
Total liabilities	6,605.94	6,942.53	1,395.22	874.94	11,989.65	11,016.79	5.84	18.45	20,188.71	19,090,91









SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.) (All omounts are in Indian Rupees in Crores unless otherwise stated) JANA SMALL FINANCE BANK UMITED

17. Related party disclosures

A. Names of the related parties where control exists	Nature of relationship
. Mr. Ramesh Ramanathan	Non Executive Chairman
ii. Mr. Ajay Kanwal	Managing Director & Chief Executive Officer
8. Others - with whom transactions have taken place during the year	Nature of relationship
1. Jana Urban Services for Transformation Private Limited	Private company in which director or his relative is member or director
ii. Jana Urban Space Foundation (India)	Private company in which director or his relative is member or director
iii. Jana Holding Limited	Public limited company in which director or his relative is member or director and the
	hotding company
iv. Jana Capital Limited	Public limited company in which director or his relative is member or director and the
TO PROPERTY AND THE PROCESSION OF THE PROPERTY	ultimate holding company
v Jana Urban Foundation (Section 25 Company - not for profit)	Private company in which director oc his relative is member or director
vi. Mr. Kapii Krishan	Chief Financial Officer (upto October 31, 2021)
vn. Mr. Buvanesh Tharashankar	Chief Financial Officer (w.e.f. December 01, 2021)
via. Ms. Lakshmi R M	Company Serretary

,					
	1	Transaction value for Outstanding amount Transaction value for Outstanding amount	Outstanding amount	Fransaction value for	Outstanding amount
name of related party	Nature of transactions	the year ended	35 35	the year ended	as at
		March 31, 2022	March 31, 2022#	March 31, 2021	March 31, 2021#
A. Private company in which director or his re-	or his relative is member or director				
1. Jana Holding Limited	Issue of equity shares (6,81,423 equity sharps)	66.09	2,390.17		2,324.17
			(2.390.17)		(2,324,17)
	Rendered professional services	•		10:0	٠
2. Jana Urban Foundation	Royalty payments	5.50	2.10	496	200
3. Jana Capital Limited	Rendered professional services	**		100	(50.7)
8. Key Management Personnel* (KMP)				****	
1. Mr. Ajay Kanwai	Remuneration	5.52	,	6.60	00/1
2, Mr. Kapil Krishan	Remuneration	0.78		1.33	201-7
3. Mr. Buvanesh Tharashankar	Remuneration	0.51	,		
4. Ms. Lakshmir 8 N	Remuneration	87.G	,	700	
C. Deposits of related parties					
KMP	Depasit	77.0	77.0	03:0	09:0
	[1](e/est	00:0		0.00	20001
Relatives of KMP	Deposit	0.03	0.03	. 0.03	10.0
	15-FF-FF	100		838	
Director	Deposit	2.23	2.31	₽	12.64
	Interest	0.11		960	
Relatives of Director	Оерозл	0.48	0.49	0.72	0.73
	เกาะเราะ	000		10.0	
Private company in which director or his relatives is member or director	Deposit	£7.7	7.94	36.60 4.60.60	9.00
	interest	0.15		0.15	

of retirement benefit such as gratuity and compensated absences since provision for The remuneration does not include value of employee stock options exercised during the vear these are based on an actuatrial valuation carried out for the Company as whole.

Figures in bracket indicates maximum outstanding during the year.

(Ail amounts are in Indian Rupees in Crores unless otherwise stated)

18. Disclosure of Complaints

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Particulars	March 31, 2022	March 31, 2021
Complaints received by the bank from its customers	OPENSIONAL STATE OF THE SECOND PROPERTY OF TH	
1. Number of complaints pending at beginning of the year	211	18
2. Number of complaints received during the year	5,890	7,31
3. Number of complaints disposed during the year	5,9(x)	7.78
3.1 Of which, number of complaints rejected by the bank	0	
Number of complaints pending at the end of the year	201	21:
Maintainable complaints received by the bank from ODOs		
Number of maintainable complaints received by the bank from OBOs	155	204
5.1 Of 5, number of complaints resolved in favour of the bank by OBOs	147	1100
5.2 Of S, number of complaints resolved through conciliation/mediation/advisories issued by OBOs	8	
5.3 Of S, number of complaints resolved after passing of Awards by OBOs against the bank		
i. Number of Awards unimplemented within the stipulated time (other than those appealed)	attender anny playeter and my year (100 to the stay Cycles a reason and consequences)	Take to the second seco

Note:

- 1. Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.
- 2. The above disclosure does not include 873 complaints which were closed within next working day (As per the section 16.5 of the RBI's Master Circular on Customer Service in banks dated July 01, 2015, all complaints redressed within next working day need not be included in the statement of complaints).

b) Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of S, number of complaints pending beyond 30 days
			March 31, 2022	!	
Deposit Accounts	38	1,913	43%	13	and the second second second section and the second
AFM / Debit Cards	30	902	-67%	20	·
Loans & advances	44	1,300	2%	31	**************************************
Not Banking / Mobile Banking/Point of Sales	41	1,345	-3%	52	
Staff Behavlour	6	196	-44%	3	-
Others	52	234	-5%	82	Chamble programs a patriother and Management Assess
Total	211	5,890	-19%	201	

Grounds of complaints, {i.e. complaints relating to}	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of S, number of complaints pending beyond 30 days	
		March 31, 2021				
ATM / Debit Cards	51	2710	-1%	38	radiarin i nagrasi, anta y pingarina inar pinagnas agamagning bina	
Net Banking / Mobile Banking/Point of Sales	54	1387	-68%	30		
Deposit Accounts	27	1342	-36%	44		
Loans & advances	19	1278	-54%	41		
Staff Behaviour	5	347	-14%	6.	Talalana, filmi, militah pendipusah kecaman kepadi dalam anta ke-	
Others	32	247	-36%	52	- Marie Paris - Andrew State Communication and Communication of Communicat	
Total	185	7,311	-43%	211		

19. Off balance sheet SPVs

During the year ended March 31, 2022, there are no off balance sheet SPVs sponsored by the Bank, which needs to be consolidated as per accounting norms. (March 31, 2021; Nat).



SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crores unless otherwise stated)

20. Transfers to Depositor Education and Awareness Fund (DEAF)

During the year ended March 31, 2022, no amount was required to be transferred to Depositor Education and Awareness Fund. (March 31, 2021: Nil)

21. Penalties levled by the RBI

During the year ended March 31, 2022, no penalty was imposed by the RBI on the Bank. (March 31, 2021: Nil)

22. Other Disclosures

a) Business ratio

Particulars	Proc. AFF AMERICAN STATE STATE STATE STATE STATE AND STATE S	
Interest income as a percentage to working lunds!	March 31, 2022	March 31, 2021
Net interest income as a percentage to working funds	13.48%	15.34%
	6.87%	7.76%
iii) Non-interest Income as a percentage to working funds ² iv) Cost of Deposits	1.60%	1.44%
A STATE OF THE PARTY OF THE PAR	7.19%	8.07%
v) Net Interest Margin ³	7.26%	8.27%
vi) Operating profit ³ as a percentage to working funds ¹	2.84%	2.77%
vii) Return on average assets	6.03%	
viii) Return on Equity Ratio ⁵		0.52%
x) Debt-Equity Ratio	0.47%	7.49%
c) Business (deposit plus net advances), per employee (in ⊀ crores).	3.97	4 48
(i) Profit per employee (in *crores)	1,44	1.38
A CONTRACTOR OF THE PROPERTY O	0.0003	0.0053
tii) Provision coverage ratio ⁹	32.19%	27.89%
Working funds remesent the monthly average of total array for the		

- Working funds represent the monthly average of total assets (excluding accumulated losses, if any) computed for reporting dates of Form X submitted to RBI under Section 27 of the Banking Regulation Act, 1949 for the current year
- 2. Net Interest Income/ Average Earning Assets. Net Interest Income = Interest Income = Interest Expense
- 3. Operating profit is net profit for the year before provisions and contingencies.
- 4. Return on average assets is computed with reference to average working funds.
- 5. Return on equity ratio is computed with reference to monthly average of total equity (including reserve & surplus).
- 6. Debt equity ratio is computed with reference to total borrowings to total equity as of financial year end.
- 7, "Business" is the total of net advances and deposits (net of inter-bank deposits).
- 8. Productivity ratios are based on average employee number.
- 9. Provision coverage ratio does not include technical write offs. Including technical write off, Provision coverage ratio is 86.82% (March 31, 2021; 82.43%).

b) Bancassurance business & Marketing and distribution

Nature of Income	P	
Towards selling of life insurance policies	March 31, 2022	March 31, 2021
Towards selling of non-life insurance policies	16.71	16.30
rowards seeing or non-sine insurance policies	4.65	2.63
Fees / remuneration received from the marketing and distribution function		
Total		
	21.36	18.93

c) Priority Sector Lending Certificates ('PSLCs'):

The Bank enters into transactions for the sale or purchase of Priority Sector Lending Certificates (PSLCs). In the case of a sale transaction, the Bank sells the fulfilment of priority sector obligation and in the case of a purchase transaction the Bank buys the fulfilment of priority sector obligation through RBI trading platform. There is no transfer of risks or loan assets in such transactions. The details of purchase / sale of PSLC during the year are as under:

PSLC Category	March	31, 2022	March 3	1, 2021
Agriculture	PSLC Bought	PSLC Sold	PSLC Bought	PSLC Sold
U		100.00		
Small and Marginal Farmers		}		"
Micro Enterprises			,	"
General		400.00	`	
Total		510.00		
3 F2-ECE	*	1,010.00		

d) Provisions and Contingencies

Break up of 'Provisions and Contingenties' chown under the band in

Particulars	mar revalues appropriate contraction of the forest follows and the property of the contraction of the contra	
(I) Provision for NPI	March 31, 2022	March 31, 2021
(li) Provision towards NPA (including bad debts written off)	2.13.22	
(iii) Provision made towards Income tax	614.02	291.58
(iv) Other Provisions and Contingencies	the same of the sa	
Provision for standard assets	3.5%	1
Provision for restructured standard assets (including DIFV)	2.59	(3.12
Provisions for depreciation on Investment	(48.36)	
Provisions for frauds and others	(0.39)	0.40
945	1.46	(3.60
- MES AT THE STATE OF THE STATE	569.32	366.60







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

(All amounts are in Indian Rupees in Crores unless otherwise state-i)

e) Inter-bank Participation (IBPC) with risk sharing

The Bank has raised lunds through of issue of IBPCs with risk sharing. The outstanding balance of IBPC (risk sharing) is \$1,962.75 cross as on March 31, 2022, (March 31, 2021; \$889.88 cross).

f) Implementation of IFRS converged Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs, in its press release dated January 18, 2016, had issued a roadmap for implementation of Indian Accounting Standards (IND-AS) for scheduled commercial banks, insurers/insurance companies and non-banking financial companies, which was subsequently confirmed by the RBI through its circular dated February 11, 2016. This roadmap required these institutions to prepare IND-AS based financial statements for the accounting periods beginning April 1, 2017. The implementation of IND-AS by banks requires certain legislative changes in the format of financial statements to comply with the disclosures required under IND-AS. In April 2018, the RBI deferred the implementation of IND-AS by a year by when the necessary legislative amendments were expected. The legislative amendments recommended by the RBI are under consideration by the Government of India. Accordingly, the RBI, through its circular dated March 22, 2019, deferred the implementation of IND-AS until further notice.

g) Payment of DICGC Insurance Premium

Particulars		
A Daymond of DUTTE Location P.	March 31, 2022	March 31, 2021
	15.25	12.01
ii) Arrears in Payment of DICGC Premium		AE.01
Total		***************************************
	15.25	12.01

h) Proposed Dividend

During the year ended March 31, 2022 the Bank has not declared any dividend. The Reserve Bank of India, vide its circular dated April 17, 2020 and December 4, 2020, has decided that banks shall not make any further dividend pay-outs from profits, with a view that banks must conserve capital in an environment of heightened uncertainty caused by COVID-19. Accordingly, the Board of Directors of the Bank has not proposed any dividend for the year ended March 31, 2021.

i) Disclosure of Letters of Comfort (LoC) issued by the Bank

The Bank has not issued letter of comfort during the year ended March 31, 2022. (March 31, 2021: Nil)

j) investor education and protection fund

There is no amount required to be transferred to Investor Education and Protection Fund by the Bank for the year ended March 31, 2022, (March 31, 2021: Nil).

k) Details of payments to Auditors as per the Profit and Loss Account

	articulars	-		
<u>-</u>	Will Fees	March 31, 2022	March 31, 2021	
- 1		0.96	0.97	
- 1	ax audit fees	0 02	0.02	
- 1	Other services	0.02	0.07	
-	out-of pocket expenses	0.01	0.02	
I	[C10]	1.01	1.08	

i) Long term contracts

The Bank has a process whereby periodically all long term contracts including derivative contracts if any, are assessed for material foreseeable losses. At the year end, the Bank has reviewed and ensured that no provision is required under any law or accounting standard on such long term contracts as on March 31, 2021; Nil).

m) Provision for credit card and debit card reward points

The Bank is not providing any reward points on debit cards. Further the Bank has not issued any credit card during year ended March 31, 2022, (March 31, 2021: NR).

n) Deferred Tax Assets

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

The Bank has carried forward business losses on which, the net deferred tax asset amounting to \$1,028.11 crores as at March 31, 2022 (\$1,018.46 crores as at March 31, 2021) has not been recognised in the absence of virtual certainty. The said amount is available for set off against future income tax liability subject to availability of sufficient taxable income in the years of set off.







SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDEO MARCH 31, 2022 (Contd.)

(All amounts are in Indian Ropees in Crores unless otherwise stated)

ol Leases

Operating lease primarily comprises of office premises, which are renewable at the option of the Bank. The following table sets forth the details of future rentals payable on non-cancellable operating leases:

Particulars	March 31, 2022	March 31, 2021
Not later than one year	5.11	2.11
Later than one year but not later than five years	14.16	8.52
Later than five years		
Minimum lease payments recognised in Profit and Loss Account	70.86	81.42
Of which tease expense, pertaining to non-cancellable feases	4.06	J C. 12.

The terms of renewal and escalation clauses are those normally prevalent in similar agreements, there are no undue restrictions or onerous clauses in the agreement. All other operating lease agreements entered into by the Bank are cancellable in nature.

The Bank has not sub-leased any of the properties taken on lease. There are no provisions relating to contingent rent.

p) Corporate Social Responsibility (CSR)

Gross amount required to be spent on CSR activities by the Bank for the year ended March 31, 2022 is Nil (March 31, 2021; Nil) under section 135 of the Companies Act, 2013.

i) Amount spent during the year ended March 31, 2022

Particulars	Amount spent	Amount unpaid	Total
		/provision	
i) Construction /acquisition of asset	*	***************************************	-
ii) on purpose other than (i) above	0.12		0.12
Total	0.12	-	0.12

II) Amount spent during the year ended March 31, 2021

Particulars	Amount spent	Amount unpaid /provision	Total	
i) Construction /acquisition of asset	· · · · · · · · · · · · · · · · · · ·		The state of the s	
ii) on purpose other than (i) above	0.76		0.76	
Total	0.76	4	0.76	

As part of organisational effort to rationalize costs, the Management took a strategic decision to limit the CSR expenditure during the current year and previous year.

g) Small and micro industries

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments for the year ended March 31, 2022 (March 31, 2021; Nil). The above is based on the information available with the Bank which has been relied upon by the auditors.

r) interest on interest

In accordance with the RBI notification dated April 7, 2021, the Bank is required to refund / adjust 'interest on interest' charged to borrowers. As required by the RBI notification, the methodology for calculation of such interest on interest has been circulated by the Indian Banks' Association. The Bank has framed a Board approved policy in this regard and is in the process of suitably implementing the methodology. As at March 31, 2021, the Bank has created a liability towards estimated interest relief of ₹ 11.07 crores and reduced the same from the interest income.

s) Change in accounting policy

The Bank has followed consistently the same significant accounting policies in the preparation of annual financial results for the year ended March 31, 2022, except for the following:

(i) The Recognition of charges and penal interest on advances which was recognised on accrual basis upto March 31, 2021, has undergone a charge and is now recognised on receipt basis. As a result of above charge in the accounting policy, interest income and other income for the quarter and year is lower by ₹ 1.15 crores & ₹ 4.69 crores with a consequent impact on profit after tax.

(ii) RBI vide its clarification dated August 30, 2021, on Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function Staff, advised Banks that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from intrinsic value method to the fair value method for such class of employees. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period. As a result of changes in RBI guidelines on share-based payment, 'Employees Cost' for the quarter and year ended March 31, 2022 is higher by < 1.79 crores and < 1.80 crores respectively with a consequent impact on profit after tax.

t) Code on Social Security

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and postemployment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. The effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are not yet issued. The Bank will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

MAYY

Chartered Accountants



SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Conid.)

(All amounts are in Indian Rapees in Crores unless otherwise stated)

u) Listing requirement for equity shares of the Bank

As per Small Finance Bank Licensing Guidelines Issued by the RBI, the 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 and received SEBI's approval to raise funds through IPO on July 12, 2021.

v) Disclosure under Rule 11 (e) of the Companies (Audit and Auditors) Rules, 2014

The Bank, as part of its normal banking business, grants loans and advances to its constituents including foreign entities with permission to lend or invest or provide guarantee or security or the like in other entities identified by such constituents. Similarly, the Bank accepts deposits from its constituents, who may instruct the Bank to lend/invest/provide guarantee or security or the like against such deposit in other entities identified by such constituents. These transactions are part of Bank's normal banking business, which is conducted after exercising proper due diligence including adherence to "Know Your Customer" guidelines as applicable in respective jurisdiction.

Other than the nature of transactions described above, the Bank has not advanced / lent / invested / provided guarantee or security to or in any other person with an understanding to lend/invest/provide guarantee or security or the like to or in any other person. Similarly, other than the nature of transactions described above, the Bank has not received any lunds from any other person with an understanding that the Bank shall lend or invest or provide guarantee or security or the like to or in any other person.

w) Previous year audit

The financial results for the year ended March 31, 2021 were audited by another firm of Chartered Accountants, MSKC & Associates, on which they had issued unmodified opinion.

x) Comparatives

Figures for the previous year have been regrouped and reclassified wherever necessary to conform with the current year's presentation,

As per our report of even date For M M Nissim & Co LLP

Chartered Accountants

ICAI Fign Registration No.107122W/W100672

Sanjay Khemani

Partner

G. Scinivas

Membership Number: 044577 Mumbai, May 17, 2022

for Brahmayya & Co., Chartered Accountants ICAI Firm Registration No:0005155 407152977

FRM:

Ramesi Janaan athan

Director DIN: 00163276

Or. Subhash Khuntia

Part-time Chairman

DIN: 05344972

Chief Financial Officer

Alay Kenwal .

DIN: 07886434

Managing Director & CEO

nesh (barashankar

For and on behalf of the Board of Directors

Company Secretary

Partner Membership No: 086761 Bengaluru, May 17, 2022

MAYP Chartered Accountants Bengaluru, May 17, 2022

M M Nissim & Co LLP Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Jana Small Finance Bank Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jana Small Finance Bank Limited ("the Bank"), which comprise the Balance Sheet as at March 31, 2022, the Profit and Loss Account, the Cash Flow Statement for the year then ended, and 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 financial statements give the information required by the Banking Regulation Act, 1949, Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, ("Accounting Standards") as applicable to banks and other accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2022, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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





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Identification of Non-Performing Advances ('NPA') and Provisioning on Advances:

Total Loans and Advances as at March 31, 2022: Rs 13,250,32 crores

Gross NPA as at March 31, 2022: Rs 756.90 crores

Provision for NPA as at March 31, 2022; Rs 243.65 crores

Refer Schedule 18.7(a) "Asset Quality - Classification of advances and provisions held" of the financial statements.

Key Audit Matter

Identification of NPA and measurement of provision on account of NPA is made based on the assessment of various criteria stipulated in the Reserve Bank of India ('RBI') guidelines on 'Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to advances' ('IRACP').

The Bank is also required to apply its judgement to determine the identification and provision required against NPAs by applying quantitative as well as qualitative factors. The risk of identification of NPAs is affected by factors like stress and liquidity concerns in certain sectors.

The provision against advances is based on criteria such as past due status, out of order status etc. The provision in respect of such NPAs are made based on ageing and classification of NPAs, recovery estimates, value of security and other qualitative factors and is subject to minimum provisioning levels prescribed by the RBI and approved policy of the bank in this regard. In addition to this, for

How our audit addressed the key audit matter

- Tested the design and operating effectiveness of key controls (including application controls) over approval, recording, monitoring, and recovery of loans, monitoring overdue/stressed accounts, identification of NPA, provision for NPA, and valuation of security including collateral. Testing of Application controls includes testing of automated controls, reports and system reconciliations.
- Evaluated the governance process and tested controls over calculations of provision on non-performing advances, basis of provisioning in accordance with the Board approved policy.
- Selected the borrowers based on quantitative and qualitative risk factors for their assessment of appropriate classification as NPA including computation of overdue ageing to assess its correct classification and





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restructured accounts, provision is made for erosion/ diminution in fair value of restructured loans, in accordance with the RBI guidelines. Further, NPA classification is made borrower wise whereby if one facility of the borrower becomes NPA then all facilities of such a borrower will be treated as NPA. Additionally, the Bank makes provision on exposures that are not classified as NPA including identified advances or group advances that can potentially slip into NPA. These are classified as contingency provisions.

The Management of the Bank also made an assessment of the impact on borrowers account due to Covid -19 pandemic and in line with the COVID 19 Regulatory Package announced by the RBI in respect of moratorium and restructuring of advances as relief measures to the borrowers.

We have identified 'Identification of NPA and Provisioning on Advances' as a key audit matter in view of the significant level of estimation involved, as well as the stringent compliances laid down by the RBI in this regard.

provision amount as per the IRACP norms and Bank policy.

Performed other substantive procedures including but not limited to the following:

- Selected sample of performing loans and assessed them independently as to whether these should be classified as NPA:
- For sample selected, examined the security valuation, financial statements and other qualitative information of the borrowers:
- Considered the accounts reported by the Bank and other Banks as Special Mention Accounts ("SMA") in RBI's Central Repository of Information on Large Credits (CRILC) to identify stress;
- Performed inquiries with the credit and risk departments to ascertain if there were indicators of stress or an occurrence of an event of default in a particular loan account or any product category which needs to be considered as NPA;
- Assessed the appropriateness of asset classification and adequacy of related provisioning by performing procedures such as computation of overdue ageing, assessment of borrower level, NPA identification and verification of applicable provision rates as per IRACP norms and Bank's Policy on test check basis;
- Selected and tested sample of accounts which were restructured under MSME restructuring circular and Resolution Framework for Covid - 19 related stress circular for their compliance with the RBI directions; and





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Assessed the adequacy of disclosures against the relevant accounting standards and RBI requirements relating to NPAs.

2. Information Technology ("IT") Systems and Controls:

Key Audit Matter

The Bank has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications.

The reliability and security of IT systems plays a key role in the business operations of the Bank. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner.

Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.

We have identified 'IT systems and controls' as key audit matter because of the high level automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.

How our audit addressed the key audit matter

Our Audit procedures with respect to this matter included:

- For testing the IT general controls, application controls and IT dependent manual controls, we involved specialists as part of the audit. The team also assisted in testing the accuracy of the information produced by the Bank's IT systems.
- Obtained a comprehensive understanding of IT applications implemented at the Bank. It was followed by process understanding, mapping of applications to the same and understanding financial risks posed by people-process and technology.

Key IT audit procedures includes testing the design and operating effectiveness of key controls operating over user management (which includes user access provisioning, de-provisioning, access review, password configuration review, segregation of duties and privilege access), change management (which include change release in production environment are compliant to the defined procedures and segregation of environments program is ensured), development (which include review of data migration activity), computer operations (which includes testing of key controls Batch processing pertaining to backup,





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(including interface testing, incident management and data centre security), System interface controls. This included testing the requests for access to systems were appropriately logged, reviewed and authorized.

- In addition to the above, the design and operating effectiveness of certain automated controls, that were considered as key internal system controls over financial reporting were tested using various techniques such as inquiry, review of documentation/record/reports, observation and re-performance.
- We also tested few controls using negative testing technique.
- Tested compensating controls and performed alternate procedures, where necessary. Understood where relevant, changes made to the IT landscape during the audit period.

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

- The Bank's Board of Directors is responsible for the preparation of the other information. The other information comprises the Chairman's Statement, the Directors Report including annexures to the Directors report and Corporate Governance Report included in the Annual Report, but does not include the financial statement and our auditors report thereon and the Pillar III Disclosures under New Capital Adequacy Framework (Basel III Disclosures). The other information is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and Basel III Disclosures and accordingly will not express any form of assurance conclusion thereon.





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- In connection with our audit of the financial statements, our responsibility is to read
 the other information and, in doing so, consider whether the other information is
 materially inconsistent with the financial statements or our knowledge obtained during
 the course of our audit or otherwise appears to be materially misstated.
- When we read the Other Information, if we conclude that there is a material
 misstatement therein, we are required to communicate the matter to those charged with
 governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating
 to Other Information'.

Management's Responsibility for the Financial Statements

The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, Accounting Standards and other accounting principles generally accepted in India and the circulars, guidelines and the directions issued by the Reserve Bank of India, from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the financial reporting process of Bank.





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Auditor's Responsibility for the Audit of the Financial Statements

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

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

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





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 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Section 143(3) of the Act and Section 30(3) of the Banking Regulation Act, 1949, based on our Audit, 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 and found them to be satisfactory.
 - b) In our opinion, the transactions of the Bank which have come to our notice have been within the powers of the bank.





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Chartered

Accountants

- c) As explained in the paragraph 2 below, the financial accounting system of the Bank are centralised and, therefore, accounting returns are not required to be submitted by branches.
- d) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books.
- e) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- f) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act as applicable to the Banks.
- g) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- h) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Bank's internal financial controls with reference to financial statements.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the entity being a banking company, section 197 of the Act related to the managerial remuneration is not applicable by virtue of Section 35B(2A) of the Banking Regulation Act, 1949.
- j) 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, 2021, in our opinion and to the best of our information and according to the explanations given to us:
 - The Bank has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Schedule 18.13 to the financial statements;
- The Bank 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 Bank;



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- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. The Bank has not declared any dividend during the year.
- 2. We report that during the course of our audit we have visited and performed select relevant procedures at 30 branches. Since the Bank considers its key operations to be automated, with the key applications largely integrated to the Core Banking System, it does not require its branches to submit any financial returns. Accordingly, our audit is carried out centrally at Head Office and Central Processing Units based on the records and data required for the purpose of Audit being made available to us.





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Other Matter

The audit of financial statements for the year ended March 31, 2021 was conducted by M/s MSKC & Associates, Chartered Accountants, the statutory auditor of the Bank, who had expressed an unmodified opinion on those financial statements. Accordingly, we M M Nissim & Co LLP, Chartered Accountants and Brahmayya & Co., Chartered Accountants do not express any opinion on the figures reported in the financial statements for the year ended March 31, 2021.

Our opinion on the financial statements is not modified in respect of the above matter.

For M M Nissim & Co LLP Chartered Accountants

Firm Registration No: 107122W/W100672

For Brahmayya & Co., Chartered Accountants Firm Registration No:000515S

Sanjay Khemani

Partner

Membership No: 044577 UDIN: 22044577AJCOBD9922

Date: May 17,2022 Place: Mumbai G. Srinivas

Partner

Membership No: 086761 UDIN: 22086761AJPUNV7232

Date: May 17,2022 Place: Bengaluru



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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Jana Small Finance Bank Limited (the "Bank") as of March 31, 2022 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank 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. 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 Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, the Banking Regulation Act, 1949 and the guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting of the Bank 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.





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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessment of the risks of material misstatement of the 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 Bank's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Bank's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial control over financial reporting 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 Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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





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Opinion

In our opinion, to the best of our information and according to the explanations given to us the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Bank 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.

For M M Nissim & Co LLP Chartered Accountants

Firm Registration No: 107122W/W100672

For Brahmayya & Co., Chartered Accountants Firm Registration No:000515S

Sanjay Khemani

Partner

Membership No: 044577 UDIN: 22044577AJCOBD9922

Date: May 17,2022 Place: Mumbai G. Srinivas

Partner

Membership No: 086761 UDIN: 22086761AJPUNV7232

Date: May 17,2022 Place: Bengaluru

