

M M Nissim & Co LLP  
Chartered Accountants

Barodawala Mansion,  
B-wing, 3rd Floor, 81,  
Dr. Annie Besant Road  
Worli, Mumbai - 400 018

Brahmayya & Co.,  
Chartered Accountants

Khivraj Mansion,  
10/2, Kasturba Road,  
Bengaluru- 560 001

**Independent Auditor's Report on Financial Results of Jana Small Finance Bank Limited  
for the quarter and nine month ended December 31, 2022 pursuant to the Regulation 52  
of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended.**

TO

**THE BOARD OF DIRECTORS OF  
JANA SMALL FINANCE BANK LIMITED**

**Report on the Audit of the Financial Results**

**Opinion**

1. We have audited the accompanying Financial Results of Jana Small Finance Bank Limited ("the Bank") for the quarter and nine month ended December 31, 2022 (the "Statement") attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), except for the disclosures relating to Pillar 3 disclosure as at December 31, 2022, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Financial Results and have not been audited by us.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- i. is presented in accordance with the requirements of regulation 52 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at December 31, 2022 including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us; and
- ii. gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounting Standards) Rules, 2021, ("Accounting Standards"), the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India of the net profit and other financial information for the quarter and nine month ended December 31, 2022.



### **Basis for Opinion**

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 together with the ethical requirements that are relevant to our audit of the Statement, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Financial Results.

### **Board of Directors' Responsibility for the Financial Results**

3. The Bank's Board of Directors are responsible for the preparation of the Statement that gives a true and fair view of the net profit and other financial information of the Bank in accordance with the recognition and measurement principles laid down in Accounting Standard -25 "Interim Financial Reporting" (AS-25) specified under section 133 of the Act, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and RBI Guidelines for safeguarding of 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Statement by the Board of Directors of the Bank, as aforesaid.

In preparing the Statement, the Board of Directors are 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 the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Bank are also responsible for overseeing the Bank's financial reporting process.





#### **Auditor's Responsibilities for the Audit of the Financial Results**

4. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Bank has internal financial controls with reference to the Statement 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 Statement 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.
- Evaluate the overall presentation, structure, and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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



**M M Nissim & Co LLP**  
Chartered Accountants


Barodawala Mansion,  
B-wing, 3rd Floor, 81,  
Dr. Annie Besant Road  
Worli, Mumbai - 400 018

**Brahmayya & Co.,**  
Chartered Accountants

Khivraj Mansion,  
10/2, Kasturba Road,  
Bengaluru- 560 001

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.

**For M M Nissim & Co LLP**  
Chartered Accountants  
Firm Registration No: 107122W/W100672

  
**Sanjay Khemani**  
Partner  
Membership No: 044577  
UDIN: 23044577BGUVLG2401



Date: February 07,2023  
Place: Bengaluru

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



**G. Srinivas**  
Partner  
Membership No: 086761  
UDIN: 23086761BGWJGU2928



Date: February 07,2023  
Place: Bengaluru

**JANA SMALL FINANCE BANK LIMITED**

CIN No: U65923KA2006PLC040028

**Registered Office :** The Fairway Business Park #10/1,11/2,12/2B,

Off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru 560071

**FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022**

**(₹ in 000s)**

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Audited (Refer note 2)	Audited	Unaudited (Refer note 2)	Audited	Unaudited	Audited
<b>I. INCOME</b>						
Interest earned	80,86,839	74,00,030	69,90,323	2,22,64,817	2,03,28,316	2,72,65,351
Other income	17,02,194	11,45,995	7,30,295	46,36,103	22,28,735	32,37,632
<b>TOTAL</b>	<b>97,89,033</b>	<b>85,46,025</b>	<b>77,20,618</b>	<b>2,69,00,920</b>	<b>2,25,57,051</b>	<b>3,05,02,983</b>
<b>II. EXPENDITURE</b>						
Interest expended	36,78,405	34,56,530	34,07,119	1,03,37,763	1,02,37,952	1,33,67,509
Operating expenses	32,59,989	31,15,014	28,88,312	93,65,978	84,90,162	1,13,88,210
Provisions and contingencies	16,57,229	18,69,274	14,86,680	54,47,424	37,87,562	56,93,206
<b>TOTAL</b>	<b>85,95,623</b>	<b>84,40,818</b>	<b>77,82,111</b>	<b>2,51,51,165</b>	<b>2,25,15,676</b>	<b>3,04,48,925</b>
<b>III. PROFIT/(LOSS)</b>						
Net profit for the quarter/year	11,93,410	1,05,207	(61,493)	17,49,755	41,375	54,058
Balance in Profit and Loss Account brought forward	(4,02,73,953)	(4,03,79,160)	(4,08,02,146)	(4,08,30,298)	(4,08,31,582)	(4,08,31,582)
<b>TOTAL</b>	<b>(3,90,80,543)</b>	<b>(4,02,73,953)</b>	<b>(4,08,63,639)</b>	<b>(3,90,80,543)</b>	<b>(4,07,90,207)</b>	<b>(4,07,77,524)</b>
<b>IV. APPROPRIATIONS</b>						
Transfer to Statutory Reserve	-	-	-	-	-	13,497
Transfer to Capital Reserve	-	-	30,546	-	30,546	30,546
Transfer to Investment Fluctuation Reserve	-	-	-	-	3,646	5,794
Transfer to Investment Reserve	-	-	-	-	-	2,937
Balance carried over to Balance Sheet	(3,90,80,543)	(4,02,73,953)	(4,08,94,185)	(3,90,80,543)	(4,08,24,399)	(4,08,30,298)
<b>TOTAL</b>	<b>(3,90,80,543)</b>	<b>(4,02,73,953)</b>	<b>(4,08,63,639)</b>	<b>(3,90,80,543)</b>	<b>(4,07,90,207)</b>	<b>(4,07,77,524)</b>
<b>V. EARNINGS PER EQUITY SHARE (EPS)</b> (Face value of per share ₹ 10 per share) (Quarterly earnings per share is not annualised)						
Basic (₹)	22.28	1.94	(1.21)	31.83	0.82	1.06
Diluted (₹)	20.58	1.80	(1.14)	29.45	0.76	0.99

**Segment information in accordance with the Accounting standard on Segment Reporting (AS 17) and RBI guidelines of the operating segment of the bank for the quarter and period ended December 31, 2022**

(₹ in 000s)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Audited (Refer note 2)	Audited	Unaudited (Refer note 2)	Audited	Unaudited	Audited
<b>Segment Revenue:</b>						
Treasury	27,55,120	28,30,098	36,07,118	82,68,032	1,09,90,841	97,77,722
Corporate/Wholesale Banking	4,13,220	3,61,475	4,42,357	11,70,823	10,49,082	12,91,436
Retail Banking	1,19,81,611	1,05,85,913	93,29,215	3,30,80,184	2,82,36,775	3,80,65,111
Other Banking operations	83,539	80,185	1,51,204	2,29,095	1,87,438	2,86,082
<b>Total Revenue</b>	<b>1,52,33,490</b>	<b>1,38,57,671</b>	<b>1,35,29,894</b>	<b>4,27,48,134</b>	<b>4,04,64,136</b>	<b>4,94,20,351</b>
Less: Inter Segment Revenue	(54,44,457)	(53,11,646)	(58,09,276)	(1,58,48,388)	(1,79,07,084)	(1,89,17,368)
<b>Income from Operations</b>	<b>97,89,033</b>	<b>85,46,025</b>	<b>77,20,618</b>	<b>2,68,99,746</b>	<b>2,25,57,052</b>	<b>3,05,02,983</b>
<b>Segment Results (net of provisions)</b>						
Treasury	(14,715)	52,514	3,99,449	2,04,336	11,57,784	(11,56,943)
Corporate/Wholesale Banking	92,392	97,933	(96,429)	2,32,856	38,235	2,91,124
Retail Banking	10,38,443	(1,15,356)	(4,30,603)	11,14,514	(12,11,923)	7,61,812
Other Banking operations	77,491	70,116	66,090	1,98,049	57,279	1,58,065
Unallocated	-	-	-	-	-	-
<b>Profit/(Loss) before tax</b>	<b>11,93,611</b>	<b>1,05,207</b>	<b>(61,493)</b>	<b>17,49,755</b>	<b>41,375</b>	<b>54,058</b>
<b>Segment Assets</b>						
Treasury	6,97,27,713	7,51,69,079	8,32,42,983	6,97,27,713	8,32,42,983	6,60,59,398
Corporate/Wholesale Banking	1,68,62,432	1,42,33,784	1,37,56,341	1,68,62,432	1,37,56,341	1,39,52,211
Retail Banking	14,75,82,567	13,54,85,512	11,09,70,684	14,75,82,567	11,09,70,684	11,98,96,549
Other Banking operations	6,051	23,922	67,331	6,051	67,331	58,393
Unallocated	18,41,087	19,15,925	19,80,818	18,41,087	19,80,818	19,20,581
<b>Total</b>	<b>23,60,19,850</b>	<b>22,68,28,222</b>	<b>21,00,18,157</b>	<b>23,60,19,850</b>	<b>21,00,18,157</b>	<b>20,18,87,132</b>
<b>Segment Liabilities</b>						
Treasury	5,82,30,266	6,13,90,012	6,24,40,278	5,82,30,266	6,24,40,278	4,62,75,330
Corporate/Wholesale Banking	1,81,051	1,47,836	1,37,911	1,81,051	1,37,911	1,17,730
Retail banking	16,02,23,077	14,91,02,379	13,59,66,039	16,02,23,077	13,59,66,039	14,32,26,522
Other banking operations	-	-	-	-	-	-
Unallocated	2,48,321	2,38,420	1,60,875	2,48,321	1,60,875	2,60,560
<b>Total</b>	<b>21,88,82,715</b>	<b>21,08,78,647</b>	<b>19,87,05,103</b>	<b>21,88,82,715</b>	<b>19,87,05,103</b>	<b>18,98,80,142</b>
<b>Capital employed:</b>						
(Segment assets - Segment liabilities)						
Treasury	1,14,97,447	1,37,79,067	2,08,02,705	1,14,97,447	2,08,02,705	1,97,84,068
Corporate/wholesale banking	1,66,81,381	1,40,85,948	1,36,18,430	1,66,81,381	1,36,18,430	1,38,34,481
Retail banking	(1,26,40,510)	(1,36,16,867)	(2,49,95,355)	(1,26,40,510)	(2,49,95,355)	(2,33,29,973)
Other banking operations	6,051	23,922	67,331	6,051	67,331	58,393
Unallocated	15,92,766	16,77,505	18,19,943	15,92,766	18,19,943	16,60,021
<b>Total</b>	<b>1,71,37,135</b>	<b>1,59,49,575</b>	<b>1,13,13,054</b>	<b>1,71,37,135</b>	<b>1,13,13,054</b>	<b>1,20,06,990</b>

**Segment Notes:**

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure, the internal business reporting system and the guidelines prescribed by the RBI. Vide its circular dated April 7, 2022 on establishment of Digital Banking Units (DBUs), the RBI has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The bank has opened three DBU so far. The manner of identification and disclosure of digital banking transactions is under discussion with IBA and hence such disclosure shall be based on the guidance by IBA.

**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 of product, granularity of the exposure and the quantum thereof. 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 as deferred tax, prepaid expenses, etc.

**Statement of Assets and Liabilities of the Bank as at December 31, 2022**

Particulars	(₹ in 000s)		
	As at 31.12.2022 (Audited)	As at 31.12.2021 (Unaudited)	As at 31.03.2022 (Audited)
<b>CAPITAL AND LIABILITIES</b>			
Capital	32,49,787	20,07,296	20,14,116
Reserves and surplus	1,38,87,348	93,05,758	99,92,874
Deposits	15,22,69,709	12,95,12,535	13,53,64,958
Borrowings	5,64,57,120	6,11,58,572	4,50,98,320
Other liabilities and provisions	1,01,55,886	80,33,996	94,16,864
<b>TOTAL</b>	<b>23,60,19,850</b>	<b>21,00,18,157</b>	<b>20,18,87,132</b>
<b>ASSETS</b>			
Cash and balances with Reserve Bank of India	92,65,807	3,29,32,244	1,53,00,194
Balance with banks and money at call and short notice	38,22,812	25,78,212	70,728
Investments	5,66,13,644	4,78,45,972	5,06,52,606
Advances	16,14,52,734	12,19,33,325	13,00,66,792
Fixed assets	13,26,393	16,10,974	17,16,470
Other assets	35,38,460	31,17,430	40,80,342
<b>TOTAL</b>	<b>23,60,19,850</b>	<b>21,00,18,157</b>	<b>20,18,87,132</b>
Contingent liabilities	6,48,912	5,68,377	4,17,430

Cash flow statement as on December 31, 2022

(₹ in 000s)			
Particulars	As at 31.12.2022 (Audited)	As at 31.12.2021 (Unaudited)	As at 31.03.2022 (Audited)
<b>A. Cash flow from operating activities</b>			
Net profit before taxes	17,49,755	41,375	54,058
Adjustments for:			
Depreciation on fixed assets	5,28,320	6,28,692	8,08,153
Loss on sale of fixed assets	6,372	295	2,076
Employee stock option expenses	20,518	3,000	24,194
Provision for non performing assets	24,87,090	7,88,896	2,87,048
Bad debts written off (net of recoveries)	30,94,424	33,69,667	58,53,286
Provision for standard assets (including standard restructured accounts)	(1,37,838)	(3,82,160)	(4,57,705)
Premium amortisation on HTM investments	22,849	22,176	29,447
<b>Operating profit before working capital changes (i)</b>	<b>77,71,490</b>	<b>44,71,941</b>	<b>66,00,557</b>
<b>Movement in working capital</b>			
(Increase)/Decrease in investments	(18,96,903)	1,20,07,259	91,93,454
(Increase)/Decrease in advances	(3,68,29,618)	(95,90,556)	(1,96,30,069)
Increase/(Decrease) in deposits	1,69,04,751	56,53,264	1,15,05,677
(Increase)/Decrease in other assets	6,13,617	(4,496)	(9,58,925)
(Increase)/Decrease in lien marked fixed deposits	(1,79,338)	1,13,966	1,14,007
Increase/(Decrease) in other liabilities and provisions	7,39,022	4,06,187	17,89,065
<b>Net change in working capital (ii)</b>	<b>(2,06,48,469)</b>	<b>85,85,624</b>	<b>20,13,209</b>
<b>Direct taxes (paid)/refund (iii)</b>	<b>(71,735)</b>	<b>(19,188)</b>	<b>(27,671)</b>
<b>Net cash flow from operating activities (i)+(ii)+(iii) (A)</b>	<b>(1,29,48,714)</b>	<b>1,30,38,377</b>	<b>85,86,095</b>
<b>B. Cash flow used in investing activities</b>			
Purchase of fixed assets	(1,45,887)	(1,20,183)	(4,08,420)
Proceeds from sale of fixed assets	1,272	792	2,291
(Increase)/Decrease of held-to-maturity securities	(40,86,984)	(1,28,97,555)	(1,28,97,555)
<b>Net cash (used in) investing activities (B)</b>	<b>(42,31,599)</b>	<b>(1,30,16,946)</b>	<b>(1,33,03,684)</b>
<b>C. Cash Flow from financing activities</b>			
Proceeds from issue of equity shares	35,671	23	6,843
Proceeds from issue of compulsorily convertible preference shares	12,00,000	-	-
Securities premium received	21,24,201	(150)	6,53,131
Proceeds from issue of Tier II capital bonds	-	-	5,00,000
Increase / (decrease) in other borrowings	1,13,58,800	1,30,05,406	(35,55,168)
<b>Net cash used in financing activities (C)</b>	<b>1,47,18,672</b>	<b>1,30,05,279</b>	<b>(23,95,194)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)</b>	<b>(24,61,641)</b>	<b>1,30,26,710</b>	<b>(71,12,783)</b>
Cash and cash equivalents as at beginning of the year	1,53,49,136	2,24,61,919	2,24,61,919
Cash and cash equivalents as at end of the period/year*	1,28,87,495	3,54,88,629	1,53,49,136

\*Cash and Cash Equivalents excludes lien marked Deposits of ₹ 20.11 crore, ₹ 2.18 crores and ₹ 2.18 crores respectively as on December 31, 2022, March 31, 2022 and December 31, 2021.

**Notes:**

- The above financial results for the period and quarter ended December 31, 2022, have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Bank have considered and approved the same at its meeting held on February 7, 2023. The above financial results for the quarter and period ended December 31, 2022, have been audited by the joint statutory auditors, M M Nissim & Co LLP, Chartered Accountants and Brahmayya & Co. Chartered Accountants.
- The figures for the quarter ended December 31, 2022 and December 31, 2021 are the balancing figures between year to date numbers between December and September numbers for the respective period.
- The Bank has followed consistently the same significant accounting policies in the preparation of annual financial results for the quarter with those followed in the annual financial statements for the year ended March 31, 2022. Any circular/direction issued by the RBI is implemented prospectively when it becomes applicable.
- These financial results of the Bank have been prepared in accordance with the Banking Regulations Act 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules 2021, ("Accounting Standards") as applicable to the bank, Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, as amended and the guidelines issued by the Reserve Bank of India (RBI) from time to time.
- The Covid-19 pandemic impacted economic activity during the last two fiscal years. The number of new Covid-19 cases have reduced significantly and the Government of India has withdrawn the Covid-19 related restrictions. The future trajectory of the pandemic and extent to which any new wave of COVID-19 may impact the Bank's results will depend on ongoing as well as future developments and any action to contain its spread or mitigate its impact whether government-mandated or elected by us.
- 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 dated July 9, 2021. The said DRHP expired on July 8, 2022; the Bank has initiated the process of refiling the DRHP with SEBI.



7 Code of Wages 2019 and Code of Social Security 2020 contemplates changes in Wages and Social Security provisions as is presently applicable to the Bank. While the draft rules have been published for public comment, these have not yet been finalised. Further the date of implementation of these codes have not yet been notified. In the absence of definitive definition of wages and other applicable provisions, the Bank will not be able to make reliable and reasonable estimate of financial impact, if any, these codes may have on the Bank. Accordingly, the Bank shall evaluate the impact, if any, once it is feasible to make reliable and reasonable estimate.

8 The Bank has carried forward business losses and timing differences on which, the net deferred tax asset amounting to ₹ 1,083.76 crores as at December 31, 2022 (₹ 1,028.11 crores as at March 31, 2022) 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.

9 Details of loans not in default and stressed loans (NPA and SMA accounts) acquired and transferred during the quarter ended December 31, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated 24th September, 2021 are given below:

a) Details of loans not in default transferred to other entities (excluding IBPCs):

Particulars	Retail Segment
Mode of Transfer	Assignment
Aggregate principal outstanding of loans transferred (Rs in Cr)	50.54
Weighted average residual maturity (Years)	8.49
Weighted average holding period (Years)	1.87
Retention of beneficial economic interest	10.00%
Coverage of tangible security	100%

b) The Bank has not purchased any loans not in default during the quarter ended December 31, 2022.

c) Details of stressed loans transferred during the quarter ended December 31, 2022.

Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
No of accounts	631	-	-
Aggregate principal outstanding of loans transferred (on the date of transfer)	68.64	-	-
Weighted average residual tenor of the loans transferred (Years)	11.60	-	-
Net book value of the loans transferred (at the time of transfer)	54.77	-	-
Aggregate consideration	58.34	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

d) The Bank has not acquired any stressed loan.

10 Other expense includes:

Particulars	Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine months ended 31.12.2022	Nine months ended 31.12.2021	Year ended 31.03.2022
(a). Travel and conveyance	1,20,238	1,11,904	1,00,217	3,35,311	2,56,903	3,50,393
(b). Professional fees (including technology expense)	3,57,008	3,90,522	2,77,170	10,55,774	7,81,789	10,55,121
(c). Stamp expenses	35,795	28,377	35,128	92,257	1,20,548	1,54,966

11 Other income includes fees earned by providing services to customers, income from sale of priority sector lending certificates, profit on sale of investments (net), lease income, income from sale of prudentially written off accounts to ARCs and recoveries from written off accounts.

Particulars	Quarter ended 31.12.2022	Quarter ended 30.09.2022	Quarter ended 31.12.2021	Nine months ended 31.12.2022	Nine months ended 31.12.2021	Year ended 31.03.2022
Income from Sale of PSL Certificates	-	-	-	4,95,175	1,27,110	1,27,110
Income of Sale of assets to ARCs	6,74,712	3,34,957	-	15,09,668	-	-
Recoveries from written off accounts	2,00,038	78,375	1,32,680	3,92,284	3,48,644	5,74,236

12 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, prudential regulatory framework will largely be drawn from the Basel standards for capital requirements 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. Further, Pillar III disclosures will be made available on the Bank's website at the following link: <https://www.janabank.com/regulatory-disclosures/>. These disclosures have not been subjected to audit by the Statutory Auditors.

13 Previous period/year figures have been regrouped / reclassified, wherever necessary to conform with the current period/year presentation.

**For and on behalf of the Board of Directors**

Digitally signed by AJAY CHAMANLAL  
KANWAL

Date: 2023.02.07 12:39:49 +05'30'

**Ajay Kanwal**

**Managing Director & Chief Executive Officer**

**Bengaluru, February 7, 2023**