

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, 2023

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		Unaudited (Refer note 2)	Audited	Audited	Unaudited	Audited	Audited
1	Interest earned (a)+(b)+(c)+(d)	1,03,80,246	97,90,264	80,86,839	2,90,19,655	2,22,64,817	3,07,50,103
	a) Interest/discount on advances/bills	94,48,944	88,14,218	71,03,232	2,61,48,306	1,96,66,676	2,72,16,067
	b) Income on investments	8,80,991	8,00,894	9,09,691	25,44,538	23,88,636	32,52,084
	c) Interest on balances with Reserve Bank of India and other inter bank funds	50,214	1,75,042	73,821	3,26,494	2,09,237	2,81,580
	d) Others	97	110	95	317	268	372
2	Other Income	13,95,156	16,35,515	17,02,194	49,11,428	46,36,103	62,48,647
3	Total Income (1)+(2)	1,17,75,402	1,14,25,779	97,89,033	3,39,31,083	2,69,00,920	3,69,98,750
4	Interest Expended	48,95,346	45,32,664	36,78,405	1,36,58,417	1,03,37,763	1,41,49,901
5	Operating Expenses (i)+(ii)	39,27,341	40,62,250	32,59,989	1,17,58,927	93,65,978	1,28,45,104
	i) Employee cost	24,45,010	23,90,899	20,07,032	71,55,868	56,62,936	77,75,785
	ii) Other operating expenses	14,82,331	16,71,351	12,52,957	46,03,059	37,03,042	50,69,319
6	Total Expenditure (4)+(5)	88,22,687	85,94,914	69,38,394	2,54,17,344	1,97,03,741	2,69,95,005
	(excluding Provision and contingencies)						
7	Operating profit before provision and contingencies (3)-(6)	29,52,715	28,30,865	28,50,639	85,13,739	71,97,179	1,00,03,745
8	Provisions (other than tax) and contingencies	16,06,273	16,02,330	16,57,229	50,35,113	54,47,424	74,44,032
9	Exceptional items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7)-(8)-(9)	13,46,442	12,28,535	11,93,410	34,78,626	17,49,755	25,59,713
11	Tax Expenses	-	-	-	-	-	-
12	Net profit from Ordinary Activities after tax (10)-(11)	13,46,442	12,28,535	11,93,410	34,78,626	17,49,755	25,59,713
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
14	Net profit for the period (12)-(13)	13,46,442	12,28,535	11,93,410	34,78,626	17,49,755	25,59,713
15	Equity share capital (Face value of 10/- each)	7,36,322	7,35,259	5,49,787	7,36,322	5,49,787	5,49,787
16	Reserves excluding revaluation reserves	2,36,30,828	2,22,54,387	1,38,87,348	2,36,30,828	1,38,87,348	1,47,22,765
17	Analytical ratio and other disclosure:						
	(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
	(ii) Capital Adequacy Ratio - Basel II	16.27%	17.50%	15.83%	16.27%	15.83%	15.57%
	(iii) Earnings per share (before and after extraordinary items, net of tax expenses)*						
	Basic EPS (₹)	18.30	16.99	22.28	51.71	31.83	47.47
	Diluted EPS (₹)	14.84	15.24	20.58	41.23	29.45	42.64
	(iv) NPA Ratios						
	(a) Gross NPAs	48,72,072	52,13,131	1,06,05,471	48,72,072	1,06,05,471	70,91,863
	(b) Net NPAs	15,64,147	18,28,936	58,49,344	15,64,147	58,49,344	46,79,973
	(c) % of Gross NPAs to Gross Advances	2.19%	2.44%	6.38%	2.19%	6.38%	3.94%
	(d) % of Net NPAs to Net Advances	0.71%	0.87%	3.62%	0.71%	3.62%	2.64%
	(v) Return on assets (average)	1.84%	1.79%	2.04%	1.69%	1.06%	1.13%
	(vi) Net worth	2,71,88,690	2,56,89,646	1,71,37,135	2,71,88,690	1,71,37,135	1,79,72,552
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital redemption reserve/ Debenture redemption reserve	-	-	-	-	-	-
	(ix) Debt-equity ratio	1.97	2.07	3.29	1.97	3.29	3.49
	(x) Total debts to total assets	17.78%	18.91%	23.92%	17.78%	23.92%	24.48%

* Figures for the quarter / nine months ended are not annualized
Net worth represents sum of Capital and Reserves & Surplus
Total debt/debt represents total borrowings of the Bank

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, 2023

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited (Refer note 2)	Audited	Audited	Unaudited	Audited	Audited
Segment Revenue:						
Treasury	28,99,247	29,47,339	27,55,120	87,64,090	82,68,032	1,09,68,437
Corporate/Wholesale Banking	5,75,144	5,63,195	4,13,220	16,55,620	11,70,823	15,52,590
Retail Banking	1,50,13,984	1,43,68,808	1,19,81,611	4,25,92,157	3,30,80,184	4,57,11,818
(i) Digital Banking Units	8,481	7,381		21,502		4,735
(ii) Other Retail Units	1,50,05,503	1,43,61,427		4,25,70,655		4,57,07,083
Other Banking operations	2,53,179	2,17,590	83,539	7,65,883	2,30,269	3,31,714
Unallocated	-	-	-	-	-	-
Total Revenue	1,87,41,554	1,80,96,932	1,52,33,490	5,37,77,750	4,27,49,308	5,85,64,559
Less: Inter Segment Revenue	(69,66,152)	(66,71,153)	(54,44,457)	(1,98,46,667)	(1,58,48,388)	(2,15,65,809)
Income from Operations	1,17,75,402	1,14,25,779	97,89,033	3,39,31,083	2,69,00,920	3,69,98,750
Segment Results (net of provisions)						
Treasury	2,59,561	1,26,638	(14,715)	5,34,116	2,04,336	2,43,847
Corporate/Wholesale Banking	1,22,612	90,654	92,392	2,94,083	2,32,856	3,14,118
Retail Banking	7,11,091	7,93,653	10,38,443	18,84,545	11,14,514	17,01,388
(i) Digital Banking Units	3,578	2,343		8,888		(775)
(ii) Other Retail Units	7,07,513	7,91,310		18,75,657		17,02,163
Other Banking operations	2,53,178	2,17,590	77,491	7,65,882	1,98,049	3,00,360
Unallocated	-	-	-	-	-	-
Profit/(Loss) before tax	13,46,442	12,28,535	11,93,611	34,78,626	17,49,755	25,59,713
Segment Assets						
Treasury	7,60,61,979	6,55,84,440	6,97,27,713	7,60,61,979	6,97,27,713	7,35,43,495
Corporate/Wholesale Banking	1,99,13,877	1,99,05,164	1,68,62,432	1,99,13,877	1,68,62,432	1,80,58,760
Retail Banking	20,35,93,121	19,34,71,247	14,75,82,567	20,35,93,121	14,75,82,567	16,29,93,309
(i) Digital Banking Units	1,07,540	92,542		1,07,540		60,166
(ii) Other Retail Units	20,34,85,580	19,33,78,705		20,34,85,580		16,29,33,143
Other Banking operations	-	-	6,051	-	6,051	-
Unallocated	19,73,147	20,97,885	18,41,087	19,73,147	18,41,087	18,41,332
Total	30,15,42,124	28,10,58,736	23,60,19,850	30,15,42,124	23,60,19,850	25,64,36,896
Segment Liabilities						
Treasury	5,56,72,014	5,49,37,516	5,82,30,266	5,56,72,014	5,82,30,266	6,45,75,249
Corporate/Wholesale Banking	2,78,766	2,51,392	1,81,051	2,78,766	1,81,051	1,91,566
Retail banking	21,79,75,224	19,97,03,013	16,02,23,077	21,79,75,224	16,02,23,077	17,32,81,887
(i) Digital Banking Units	85,325	76,362		85,325		49,804
(ii) Other Retail Units	21,78,89,899	19,96,26,651		21,78,89,899		17,32,32,083
Other banking operations	-	-	-	-	-	-
Unallocated	4,27,430	4,77,169	2,48,321	4,27,430	2,48,321	4,15,642
Total	27,43,53,434	25,53,69,090	21,88,82,715	27,43,53,434	21,88,82,715	23,84,64,344
Capital employed: (Segment assets - Segment liabilities)						
Treasury	2,03,89,965	1,06,46,924	1,14,97,447	2,03,89,965	1,14,97,447	89,68,246
Corporate/wholesale banking	1,96,35,111	1,96,53,772	1,66,81,381	1,96,35,111	1,66,81,381	1,78,67,194
Retail banking	(1,43,82,103)	(62,31,766)	(1,26,40,510)	(1,43,82,103)	(1,26,40,510)	(1,02,88,578)
(i) Digital Banking Units	22,215	16,180		22,215		10,362
(ii) Other Retail Units	(1,44,04,319)	(62,47,946)		(1,44,04,319)		(1,02,98,940)
Other banking operations	-	-	6,051	-	6,051	-
Unallocated	15,45,717	16,20,716	15,92,766	15,45,717	15,92,766	14,25,690
Total	2,71,88,690	2,56,89,646	1,71,37,135	2,71,88,690	1,71,37,135	1,79,72,552

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.

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.

Notes:

1 The above financial results for the quarter and nine month ended December 31, 2023, 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 22, 2024. The above financial results for the quarter and nine month ended December 31, 2023, have been subjected to limited review by the joint statutory auditors, M M Nissim & Co LLP, Chartered Accountants and Brahmayya & Co. Chartered Accountants.

2 The figures for the quarter ended December 31, 2023 are the balancing figures between year to date reviewed results between December 31, 2023 and September 30, 2023 audited results.

- 3 The Bank has followed consistently the same significant accounting policies in the preparation of these financial results for the quarter and nine months with those followed in the annual financial statements for the year ended March 31, 2023. Any circular/direction issued by the RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars/directions.
- 4 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 33 and 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.
- 5 The Bank has completed the process of Initial Public Offer (IPO) and raised ₹ 462 crores by issue of 1.12 crores of equity shares having face value of ₹ 10 each at ₹ 414 per share. Equity shares of the Bank listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE) on 14 February 2024. The Bank has incurred share issue expenses towards IPO activity, which would be charged-off to securities Premium account in accordance with section 52 Companies Act, 2013
- 6 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.
- 7 The Bank has carried forward business losses and timing differences on which, the net deferred tax asset amounting to ₹ 989.99 crores as at December 31, 2023 (₹ 1,083.76 crores as at December 31, 2022, ₹ 1,076.79 crores as at March 31, 2023) 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.
- 8 During the quarter and nine months ended December 31, 2023, the Bank has allotted 1,21,54,044 and 12,41,54,044 Compulsorily Convertible Preference Shares (CCPS) respectively pursuant to approval of Board and shareholders. During the nine months ended December 31, 2023, the Bank has converted 11,20,00,000 CCPS into 31,02,613 equity shares of ₹ 10 each.
- 9 Details of loans not in default and stressed loans (NPA and SMA accounts) acquired and transferred during the quarter ended December 31, 2023 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):

₹ in crores

Particulars	Retail Segment
Mode of Transfer	Assignment & PTC
Aggregate principal outstanding of loans transferred	399.23
Weighted average residual maturity (Years)	5.01
Weighted average holding period (Years)	1.25
Retention of beneficial economic interest	15% & 16%
Coverage of tangible security	100% & 0%

b) The Bank has not purchased any loans not in default during the quarter ended December 31, 2023.

c) Details of stressed loans transferred during the quarter ended December 31, 2023.

₹ in crores

Particulars	To ARCs
No of accounts	3,571
Aggregate principal outstanding of loans transferred (on the date of transfer)	175.63
Weighted average residual tenor of the loans transferred (Years)	11.83
Net book value of the loans transferred (at the time of transfer)	145.75
Aggregate consideration	145.75
Additional consideration realized in respect of accounts transferred in earlier years	-

d) Details of ratings of Security Receipts (SRs) outstanding as on December 31, 2023 are given below

₹ in crores

Rating	Rating Agency	Recovery Rating	Gross Value of SRs Outstanding
RR1	Infomercials	100% to 150%	67.98
RR1+	Infomercials	More than 150%	179.20
Rating to be assigned			320.05

e) The Bank has not acquired any stressed loan.

10 Other expense includes:

Particulars	Quarter ended 31.12.2023	Quarter ended 30.09.2023	Quarter ended 31.12.2022	Nine months ended 31.12.2023	Nine months ended 31.12.2022	Year ended 31.03.2023
(a). Travel and conveyance	1,65,149	1,59,409	1,20,238	4,59,230	3,35,311	4,78,288
(b). Professional fees (including technology expense)	4,74,926	5,30,959	3,57,008	14,74,406	10,55,774	14,79,645

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 31.12.2023	Quarter ended 30.09.2023	Quarter ended 31.12.2022	Nine months ended 31.12.2023	Nine months ended 31.12.2022	Year ended 31.03.2023
Income from Sale of PSL Certificates	-	-	-	4,18,650	4,95,175	4,95,175
Income of Sale of assets to ARCs	1,08,883	2,74,934	6,74,712	6,40,682	15,09,668	18,65,917
Recoveries from written off accounts	43,727	1,26,168	2,00,038	3,10,877	3,92,284	7,06,468

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/review 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

Bengaluru, February 22, 2024

Ajay Kanwal
Managing Director & Chief Executive Officer

Independent Auditor's Review Report on Unaudited Financial Results of Jana Small Finance Bank Limited for the quarter and nine months ended December 31, 2023 pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 as amended.

TO

THE BOARD OF DIRECTORS OF

JANA SMALL FINANCE BANK LIMITED

1. We have reviewed the accompanying Unaudited Financial Results of Jana Small Finance Bank Limited ("the Bank") for the quarter and nine months ended December 31, 2023, (the "Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), including relevant circulars issued by the SEBI from time to time, except for the disclosures relating to Pillar 3 disclosures as at December 31, 2023 under Basel II Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 12 in the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder, in so far as they apply to banks, 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 ("RBI Guidelines") and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations, 2015, including relevant circulars issued by SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries primarily from the persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Brahmayya & Co.,
Chartered Accountants

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in AS 25, prescribed under Section 133 of the Companies Act, 2013, the RBI Guidelines and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of Income recognition, asset classification, provisioning and other related matters except for the disclosures relating to Pillar 3 disclosure as at December 31, 2023 under Basel II Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in Note 12 in the Statement and have not been reviewed by us.

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

For M M Nissim & Co LLP
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Date: February 22, 2024
Place: Bengaluru

Date: February 22, 2024
Place: New Delhi