

No. CTL/DEB/20-21/Noting Certificate/179

May 13, 2020

To Whomsoever It May Concern,

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Jana Small Finance Bank Limited** (“**the Company**”) for the Half year ended March 31, 2020.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For **Catalyst Trusteeship Limited**

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Authorised Signatory

Encl: Results submitted by Company



Independent Auditors' Report on Half yearly Financial Results and Year to Date Financial Results of the Bank pursuant to the Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements), 2015

TO THE BOARD OF DIRECTORS OF JANA SMALL FINANCE BANK LIMITED

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying Financial Results of Jana Small Finance Bank Limited ("the Bank") for the half year and year ended March 31, 2020 (the "Statement"), being submitted by the Bank pursuant to the requirements of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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 Regulation; and
- ii. gives a true and fair view, in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2014, as amended to the extent applicable, 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 year ended March 31, 2020.

Basis for Opinion

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 Auditors' 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.

Emphasis of Matter

We draw attention to Note 6 to the financial results, which describes that the extent to which the COVID-19 Pandemic will impact the Bank's results will depend on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibility for the Financial Results

This Statement have been compiled from the annual audited financial statements. 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 Accounting Standards specified under section 133 of the Act, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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.

Auditors' Responsibilities for the Audit of the Financial Results

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 auditors' 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has internal financial controls with reference to financial statements 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 auditors' 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 auditors' 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.

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.

Other Matters

- a. The comparative financial information of the Bank provided in the Statement for the corresponding half year and year ended March 31, 2019 have been audited by the predecessor auditor who expressed an unmodified opinion on those financial information dated May 30, 2019.
- b. The Statement include the results for the half year ended March 31, 2020, being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the first half year of the current financial year which were subject to limited review by us.

Our opinion is not modified in respect of the above matters.

For MSKC & Associates (Formerly known as R. K. Kumar & Co)

Chartered Accountants

ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani

Partner

Membership No. 118580

UDIN: 20118580AAAABB7418

Mumbai

May 04, 2020

JANA SMALL FINANCE BANK LIMITED

(Formerly Known as Janalakshmi Financial Services Limited)

CIN No: U65923KA2006PLC040028

Regd. Office : The Fairway Business Park #10/1,11/2,12/2B,

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

AUDITED FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED MARCH 31, 2020

(₹ in Crores)

Particulars	6 Months Ended		Year Ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 5)	Audited (Refer Note 5)	Audited	Audited
I. INCOME				
Interest earned	1,118.85	645.97	1,991.52	1,250.54
Other income	219.39	59.48	433.25	117.73
TOTAL	1,338.24	705.45	2,424.77	1,368.27
II. EXPENDITURE				
Interest expended	525.77	394.48	980.16	813.63
Operating expenses	625.20	596.51	1,164.08	1,131.19
Provisions and contingencies	102.85	371.75	250.40	1,372.51
TOTAL	1,253.82	1,362.74	2,394.64	3,317.33
III. PROFIT/(LOSS)				
Net profit/(loss) for the period/year	84.42	(657.29)	30.13	(1,949.06)
Balance in Profit and Loss Account brought forward	(4,185.10)	(3,473.52)	(4,130.81)	(2,181.75)
TOTAL	(4,100.68)	(4,130.81)	(4,100.68)	(4,130.81)
IV. APPROPRIATIONS				
Transfer to Statutory Reserve	7.53	-	7.53	-
Transfer to Capital Reserve	13.81	-	13.81	-
Transfer to Investment Fluctuation Reserve	4.64	-	4.64	-
Balance carried over to Balance Sheet	(4,126.66)	(4,130.81)	(4,126.66)	(4,130.81)
TOTAL	(4,100.68)	(4,130.81)	(4,100.68)	(4,130.81)
V. EARNINGS PER EQUITY SHARE				
(Face value of per share ₹ 10 per share)				
Basic (₹)	16.90	(153.08)	6.21	(471.84)
Diluted (₹)	16.10	(153.08)	5.90	(471.84)
(Half yearly earnings per share is not annualised)				



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Segment Information in accordance with the extant RBI guidelines and Accounting Standard on Segment Reporting

(₹ In Crores)

Particulars	6 Months Ended		Year Ended	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 5)	Audited (Refer Note 5)	Audited	Audited
Segment Revenue:				
Treasury	97.71	59.11	181.87	136.72
Corporate/Wholesale Banking	22.13	0.64	26.58	7.94
Retail Banking	1,214.75	640.90	2,209.07	1,217.07
Other Banking operations	3.65	4.80	7.25	6.54
Total Revenue	1,338.24	705.45	2,424.77	1,368.27
Less: Inter Segment Revenue	-	-	-	-
Income from Operations	1,338.24	705.45	2,424.77	1,368.27
Segment Results (net of provisions)				
Treasury	(27.80)	(22.85)	(61.41)	(49.88)
Corporate/Wholesale Banking	3.31	(4.23)	5.26	(2.06)
Retail Banking	107.88	(630.21)	84.26	(1,897.25)
Other Banking operations	1.03	0.00	2.02	0.13
Unallocated	-	-	-	-
Profit/(Loss) before tax	84.42	(657.29)	30.13	(1,949.06)
Segment Assets				
Treasury	3,569.95	2,630.68	3,569.95	2,630.68
Corporate/Wholesale Banking	332.38	56.36	332.38	56.36
Retail Banking	9,975.50	6,428.45	9,975.50	6,428.45
Other Banking operations	23.68	27.80	23.68	27.80
Unallocated	245.60	303.01	245.60	303.01
Total	14,147.11	9,446.30	14,147.11	9,446.30
Segment Liabilities				
Treasury	3,001.04	4,269.00	3,001.04	4,269.00
Corporate/Wholesale Banking	1.51	3.17	1.51	3.17
Retail banking	10,072.59	4,484.88	10,072.59	4,484.88
Other banking operations	-	-	-	-
Unallocated	28.45	15.60	28.45	15.60
Total	13,103.59	8,772.66	13,103.59	8,772.65
Capital employed:				
(Segment assets - segment liabilities)				
Treasury	568.91	(1,638.32)	568.91	(1,638.32)
Corporate/wholesale banking	330.87	53.18	330.87	53.18
Retail banking	(97.09)	1,943.57	(97.09)	1,943.57
Other banking operations	23.68	27.80	23.68	27.80
Unallocated	217.15	287.41	217.15	287.42
Total	1,043.52	673.64	1,043.52	673.65

Segment Notes:

1. For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.
2. The Bank is in the process of formulating and implementing Funds Transfer Pricing (FTP) methodology and hence the adjustment of revenue and cost on account of FTP is not adjusted between the segments.
3. Unallocated assets and liabilities pertain to the assets and liabilities not identifiable to the particular segment.



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Statement of Assets and Liabilities of the Bank as on March 31, 2020 and March 31, 2019 is given below:

Particulars	(₹ In Crores)	
	As at 31.03.2020 Audited	As at 31.03.2019 Audited
CAPITAL AND LIABILITIES		
Capital	200.72	197.16
Reserves and surplus	842.79	476.48
Deposits	9,651.95	4,198.70
Borrowings	2,898.74	4,086.47
Other liabilities and provisions	552.91	487.49
TOTAL	14,147.11	9,446.30
ASSETS		
Cash and balances with Reserve Bank of India	473.85	1,080.97
Balance with banks and money at call and short notice	506.46	87.59
Investments	2,650.03	1,468.13
Advances	9,959.24	6,217.08
Fixed assets	260.01	334.46
Other assets	297.52	258.07
TOTAL	14,147.11	9,446.30
Contingent liabilities	37.16	51.60

Notes:

- The audited financial results for the year ended March 31, 2020 have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its Meeting held on May 04, 2020.
- The Statutory Auditors have carried out audit of the annual financial results as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and have issued an unmodified opinion thereon.
- The Bank has followed consistently the same significant accounting policies in the preparation half yearly financial results and the annual financial statements for the year ended March 31, 2020 and March 31, 2019.
- 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, 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).
- Figures for the half year ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of full financial year and the published year to date unaudited figures for the half year ended September 30th of the respective financial years.
- The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets. Governments, including the Bank, have introduced a variety of measures to contain the spread of the virus. The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are highly uncertain at this point of time.

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Bank had granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms).

The Bank's exposure towards loans in SMA-0 to SMA-2 buckets is ₹ 158.6 crores of which ₹ 52.0 crores is fully secured as at March 31, 2020, and the Bank holds provisions against the potential impact of COVID-19 based on the information available at this point in time. The provisions held by the Bank are in excess of the RBI prescribed norms.

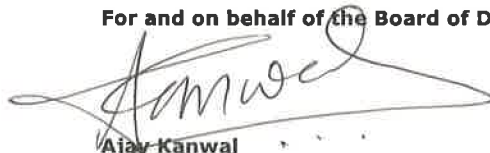
- The bank has raised equity capital of ₹ 339.0 crores during the year from the existing investors through rights issue and allotment of equity shares pursuant to employee restricted stock units scheme.
- The Bank had brought forward losses for the year ended March 31, 2018 and March 31, 2019. The net deferred tax asset amounting to ₹1,085.9 crores as at March 31, 2020 has not been recognised. The said amount of ₹ 1,085.9 crores will be available to offset tax on future taxable income.
- The Bank has raised ₹ 225.0 crores of non-convertible debentures in the nature of sub-debt during the year.



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- 10 The Bank had granted 1,308,883 share options under the Employee Stock Option Scheme 2017 and 2018 and 12,044 stock units under the Restricted Stock Units Scheme 2017 and 2018 to eligible employees during the year, (each options/units entitles option holder to one equity share of ₹ 10 each).
The Bank had allotted 1,939 equity shares during the year pursuant to the exercise of options under approved employee restricted stock units scheme.
- 11 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 now included in the second schedule of the Reserve Bank of India Act, 1934.
- 12 The Bank has made provision for Non Performing Assets, restructured assets and standard assets as per Reserve Bank of India (RBI) guidelines applicable for the Banks.
- 13 Other income includes fees earned by providing services to customers, income from sale of priority sector lending certificates, profit on sale of investments (net), recoveries from written off accounts and lease income.
- 14 As per RBI circular DBR.NBD.No. 26/16.13.218/2016-17 dated October 6, 2016 on Operating Guidelines for Small Finance Banks, prudential regulatory framework will largely be drawn from the Basel standards for capital requirements and Basel II standardized approach for credit risk. The Bank is in the process of publishing information as per pillar 3 disclosure required under Basel-II regulation.
- 15 The Bank's management has concluded the appropriateness of the going concern assumption in the preparation of the financial results, based on the key actions undertaken during the year such as, return to profitability, raising of further equity capital etc.
- 16 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



Ajar Kanwal

Managing Director & Chief Executive Officer

Bengaluru, May 04, 2020



13th May, 2020

To,
Listing Operations
BSE Limited,
P J Towers, Dalal Street,
Mumbai - 400001.

Dear Sir/Madam

Sub: Half Yearly Communication for year ending 31st March 2020

Ref: SEBI Circular No: SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 read with SEBI Circular No: SEBI/IMD/DOF-1/BOND/Cir-5/2009 dated November 26, 2009 on simplified listing agreement for debt securities.

In pursuant to the clause 6 in above mentioned SEBI Circulars the below information as on 31st March 2020 is being furnished to you.

Sr No	Particulars	Details
1	Latest Credit Rating	As per Annexure I
2	Asset Cover Available	As per Annexure I
3	Debt-Equity Ratio (as on 31 st March 2020)	2.88
4	Net Profit after Tax	30.13 cr
5	Net Worth	1,044.00 cr
6	Earnings per Share	Basic : 16.91 Diluted : 16.10
7	Previous due date for the payment of interest / principal and whether the same has been paid or not	As per Annexure I
8	Next due date for the payment of interest / principal	As per Annexure I

Kindly acknowledge receipt.
Counter Signatory

For Jana Small Finance Bank Limited


Lakshmi R N
Company Secretary

**For Catalyst Trusteeship Limited**

Authorized Signatory (ies)

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Annexure I

BSE Scrip Code Series ISIN	Security Asset Cover	Latest Credit Rating	Previous Due Date (Interest / Principal)	Status	Next Due Date (Interest / Principal)
953148 23 INE953L08030	Unsecured	[ICRA]BBB (Stable)	Interest: 31-Mar-20 Principal: NA	Paid	Interest: 30-Sep-20 Principal: 22-Dec-22
953161 24 INE953L08048	Unsecured	[ICRA]BBB (Stable)	Interest: 30-Dec-19 Principal: NA	Paid	Interest: 30-Jun-20 Principal: 30-Jun-21
953629 28 INE953L08055	Unsecured	[ICRA]BBB (Stable)	Interest: 21-Mar-20 Principal: NA	Paid	Interest: 21-Mar-21 Principal: 19-May-23
953718 29 INE953L08063	Unsecured	[ICRA]BBB (Stable)	Interest: 27-Mar-20 Principal: NA	Paid	Interest: 28-Sep-20 Principal: 27-May-22
955328 045A INE953L08220	Unsecured	[ICRA]BBB (Stable)	Interest: 30-Nov-19 Principal: NA	Paid	Interest: 30-Apr-20 Principal: 30-Apr-20
955451 046B INE953L08253	Unsecured	[ICRA]BBB (Stable)	Interest: 21-Dec-19 Principal: NA	Paid	Interest: 21-Jun-20 Principal: 21-Dec-20
955452 046C INE953L08261	Unsecured	[ICRA]BBB (Stable)	Interest: 21-Dec-19 Principal: NA	Paid	Interest: 21-Jun-20 Principal: 21-Dec-21
956381 047B INE953L08287	Unsecured	[ICRA]BBB (Stable)	Interest: 15-May-19 Principal: NA	Paid	Interest: 15-May-20 Principal: 15-May-20
958869 048A INE953L08295	Unsecured	[ICRA]BBB (Stable)	Interest: NA Principal: NA	NA	Interest: 29-June-20 Principal: 29-June-25
958877 048B INE953L08303	Unsecured	[ICRA]BBB (Stable)	Interest: NA Principal: NA	NA	Interest: 10-July-20 Principal: 10-July-25

For Jana Small finance Bank Limited

Lakshmi R N

Lakshmi R N
Company Secretary



Counter Signatory
For Catalyst Trusteeship Limited

Authorized Signatory (ies)

paise ki kadar

Registered Office :
Jana Small Finance Bank Ltd.
The Fairway Business Park
#10/1, 11/2 & 12/2B, Off Domlur,
Koramangala Inner Ring Road,
Next to Embassy Golf Links
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