

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF "JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED
(Formerly Janakalyan Consultancy & Services Pvt. Ltd).

Report on the Audit of the Financial Statements.

Opinion:

We have audited the accompanying financial statements of **JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 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, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and its cash flows for the year ended on that date.

Emphasis of Matter:

We draw attention to the financial results with related to COVID-19 that has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to recovery of Loan since Government imposed restrictions during the lockdown on account of health, travel and safety concerns.

The extent to which the COVID-19 pandemic will impact the Company's provision on assets and future results will depend on the future developments, which are highly uncertain. Hence the impact of the pandemic may be different from that estimated as at the date of approval of these financial results.

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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained 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 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.

SI No.	Key Audit Matter	Auditor's Response
1.	Classification of Micro Finance Loan Portfolio.	<p>Principal Audit Procedures</p> <ul style="list-style-type: none"> a. We assessed the company's procedure to identify the portfolio loan quality. b. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing of the follows. <ul style="list-style-type: none"> i. Evaluated the design of internal controls relating to early assessment of Loan default cases. ii. Selected a sample of Loan Portfolio and tested the effectiveness of the internal control.
2.	<p>Provision for Loan/credit losses:</p> <p>The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the area where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.</p> <p>We identified Provisions for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p> <p>Refer Notes 20,21 and 22 to the financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures related to the Provision for credit losses against Micro Loan Portfolios:</p> <p>We tested the effectiveness of controls over the (1) development of the methodology for the Provision for Loan losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses. For a sample of customers:</p> <p>We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</p> <p>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements:

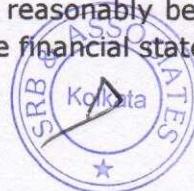
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total income and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 statements 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities 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 controls 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 Company 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 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 Company'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 Company to cease to continue as a going concern.
- 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

- i. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from Directors as on March 31, 2021, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this report;
 - g. 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, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as on 31st March 2021.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Date: 31/05/2021

Place: Kolkata



**For SRB & Associates
Chartered Accountants Firm
Registration No. 310009E**

**Biswanath Paul
Partner**

M. No. 068186

UDIN:21068186AAAAEH6520

Annexure referred to in paragraph 2 under the heading "Report on other legal and regulatory requirements" of our Report of even date, we report that:

Re: "JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED".

I. In respect of fixed assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c. According to the information and explanations given by the management, there are no immovable properties included in fixed assets of the company and accordingly the requirements under clause 3(i)(c) of the order are not applicable to the Company.

II. In respect of Inventories:

The company's business does not involve inventories. Accordingly the requirements under paragraph 3(ii) of the order are not applicable to the Company.

III. In respect of Loan:

According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013. Accordingly the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

IV. In our opinion and according to the information and explanations given to us, the company has not granted loans or provided any guarantee or security to parties covered under section 185 of the company act, 2013.

Since the company is a Non-Banking Financial Company-Micro Finance Institution engaged in the business of providing loans, it is exempted under section 186(11) of the companies Act 2013 and hence the provisions of section 186 are not applicable to the company.

V. The company has not accepted any deposits from the public.

VI. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the services rendered by the company.



VII. In respect of Statutory dues:

- a. According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at 31st March, 2021, for a period of more than six months from the date they became payable."
- c. According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and Cess which have not been deposited on account of any dispute.

VIII. In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of dues to a financial institution, bank or Government.

IX. According to the information and explanation given by the management, the company has not raised any money by way of initial public offer or further public offer, hence not commented upon.

Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

X. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the company or on the company by the officers and employees of the company has been noticed or reported during the year.

XI. According to the information and explanations given by the management, the managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197, read with schedule V to the Act.

XII. In our opinion, the company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.

XIII. According to the information and explanations given by the management, transactions with the related parties are in Compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

XIV. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting requirements under clause 3 (xiv) are not applicable to the company and, not commented upon.



- XV. According to the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him.
- XVI. According to the information and explanations given to us, we report that the company has registered as required, under section 45-1A of the Reserve Bank of India Act, 1934.

**For SRB & Associates
Chartered Accountants
Firm Registration No: 310009E**



A handwritten signature in black ink, appearing to be "Biswanath Paul".

**Biswanath Paul
(Partner)**

M. No. 068186

UDIN:21068186AAAAEH6520

Place: Kolkata
Date: 31/05/2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to In paragraph 1 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date

Report on internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

To the Members of "JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED".

We have audited the internal financial controls over financial reporting of "**JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED**". as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company 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 the Company'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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

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 assessed risk. The procedures selected depend on the auditor's judgment, including 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 internal financial controls system over financial reporting.



Meaning of Internal Financial controls over Financial Reporting;

A company'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 company'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 company; (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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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.

Opinion

In our opinion, the Company 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, 2021, based on the internal control over financial reporting criteria established by the Company 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 SRB & Associates
Chartered Accountants
Firm Registration No: 310009E**



**Biswanath Paul
(Partner)**

M. No. 068186

UDIN:21068186AAAAEH6520

Place: Kolkata
Date: 31/05/2021


JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

		₹	₹
BALANCE SHEET AS AT	Note	31ST MARCH , 2021	31ST MARCH, 2020
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	25,35,08,630	22,14,57,350
Reserves & Surplus	4	17,10,33,610	12,34,33,880
		42,45,42,240	34,48,91,230
NON-CURRENT LIABILITIES			
Long Term Borrowings	5	19,95,29,704	44,85,91,921
Deferred Tax Liability (Net)		2,34,956	2,34,000
Long term provisions		31,92,967	20,52,904
		20,29,57,627	45,08,78,825
CURRENT LIABILITIES			
Short Term Borrowings	6	8,48,10,833	15,23,55,923
Trade Payables	7	51,58,191	61,68,584
Other Current Liabilities	8	71,60,79,918	94,64,62,685
Short Term Provisions	9	3,20,90,194	5,14,15,213
		83,81,39,136	1,15,64,02,405
TOTAL		1,46,56,39,003	1,95,21,72,460
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	10		
-Tangible Assets		73,98,690	82,96,143
-Intangible Assets		20,65,303	25,76,030
Long term loans and advances	11	50,92,75,993	34,42,38,146
		51,87,39,986	35,51,10,319
CURRENT ASSETS			
Cash and Cash Equivalents	12	11,69,56,230	12,87,24,248
Short term loans and advances	13	67,32,94,842	1,39,06,83,751
Other current assets	14	15,66,47,945	7,76,54,142
		94,68,99,017	1,59,70,62,141
TOTAL		1,46,56,39,003	1,95,21,72,460

Significant Accounting Policies and Notes 1 & 2

The accompanying notes are forming an integral part of these Financial Statements

For **SRB & Associates**
Chartered Accountants
Firm Registration No. 310009E


Biswanath Paul
(Partner)

M. No.068186

UDIN:21068186AAAAEH6520

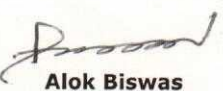
Date :31/05/2021


Place:Kolkata

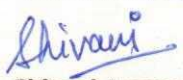


For and on behalf of the Board of Directors


Sunanda Kr. Mitra
Chairman
DIN-03521074


Alok Biswas
Managing Director
DIN-03141650


Arup Kumar Dutta
Chief Financial Officer


Shivani Agarwal
Company Secretary
M.No. A42303

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED		₹	₹
		31ST MARCH , 2021	31ST MARCH, 2020
Revenue from Operations	Note 15	31,88,60,401	32,08,80,169
Other Income	16	6,41,85,334	8,81,71,869
Total Revenue		38,30,45,735	40,90,52,038
EXPENSES			
Employee Benefits Expenses	17	8,33,19,963	7,55,71,260
Depreciation	10	24,35,733	22,23,635
Finance Cost	18	20,16,87,401	19,30,85,328
Other Expenses	19	7,51,49,667	3,78,98,913
Provisions and Write-offs	20	1,10,39,677	1,53,48,616
Total Expenses		37,36,32,442	32,41,27,752
Profit before Tax		94,13,293	8,49,24,286
Tax Expenses:			
(1) Current Tax		47,61,321	2,38,74,120
(2) Deferred Tax (Assets)/Liabilities		956	56,000
(3) Tax of Earlier Years		-	8,04,616
Total Tax Expenses		47,62,277	2,47,34,736
Profit for the Year		46,51,016	6,01,89,550
Earning Per Equity Share			
(1) Basic		0.21	2.86
(2) Diluted		0.21	2.86

Significant Accounting Policies and Notes 1 & 2

The accompanying notes are forming an integral part of these Financial Statements

For SRB & Associates

Chartered Accountants

Firm Registration No. 310009E

Biswanath Paul

(Partner)

M. No.068186

UDIN:21068186AAAAEH6520

Date : 31/05/2021

Place:Kolkata



For and on behalf of Board of Directors

Sunanda Kr. Mitra
Chairman

DIN-03521074


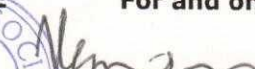
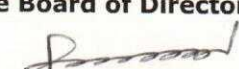
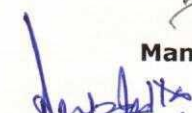
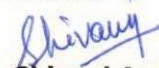
Arup Kumar Dutta
Chief Financial Officer

Alok Biswas
Managing Director

DIN-03141650

Shivani Agarwal
Company Secretary

M.No. A42303

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021		
Particulars	2020-21	2019-2020
	RUPEES (₹)	RUPEES (₹)
Cash Flow From Operating Activities :		
Profit Before Tax and extraordinary items	94,13,293	8,49,24,286
Adjustments for :		
Loan Loss Provisions	1,10,39,677	1,53,48,616
Depreciation	24,35,733	22,23,635
Minimum Alternate Tax	-	(8,04,616)
Operating Profit Before Working Capital Changes	2,28,88,704	10,16,91,921
(Increase)/Decrease in Micro Finance Loans	68,89,83,307	(54,48,90,952)
(Increase)/Decrease in Other Loans & advances	2,84,05,602	(2,52,39,345)
(Increase)/Decrease in Non Current Assets	(16,50,37,847)	(13,15,13,137)
(Increase)/Decrease in Other Current Assets	(7,89,93,803)	(3,95,89,800)
Increase/(Decrease) in Trade Paybles	(10,10,393)	41,774
Increase/(Decrease) in Current Liabilities	(72,52,044)	38,30,508
Increase (Decrease) in Provision for Taxation	(3,39,85,956)	-
Net Cash Provided By/(Used In) Operating Activities (A)	45,39,97,570	(63,56,69,031)
Cash Flow From Investing Activities		
Purchases of Fixed Assets	10,27,553	52,31,494
Net Cash Provided By/(Used In) Investing Activities (B)	(10,27,553)	(52,31,494)
Cash Flow From Financing Activities :		
Increase in Borrowings	(53,97,38,030)	40,42,14,477
Proceeds From Issuance of Share Capital	7,49,99,995	3,73,26,316
Net Cash Provided By/(Used In) Financing Activities (C)	(46,47,38,035)	44,15,40,793
Net Increase In Cash And Cash Equivalents (A+B+C)	(1,17,68,018)	(19,93,59,732)
Cash And Cash Equivalents At The Begining of The Year	12,87,24,248	32,80,83,980
Cash And Cash Equivalents At The End of The Year	11,69,56,230	12,87,24,248
Cash And Cash Equivalents Comprises of :		
1. Cash In Hand	18,13,846	4,76,260
2. Balances With Scheduled Banks	11,51,42,384	12,82,47,988
	11,69,56,230	12,87,24,248
<i>As per our report of even date annexed herewith</i>		
<p>For SRB & Associates Chartered Accountants Firm Registration No. 310009E</p>		
For and on behalf of the Board of Directors		
<p> Biswanath Paul (Partner) M. No.068186 UDIN:21068186AAAAEH6520</p>	<p> Sunanda Kr. Mitra Chairman</p>	<p> Alok Biswas Managing Director</p>
<p>Place : Kolkata Date : 31/05/2021</p>	<p> Arup Kumar Dutta Chief Financial Office</p>	<p> Shivani Agarwal Company Secretary</p>

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Note-1 NATURE OF OPERATION:

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED" (here in after refers as the Company or JFSPL) is engaged in Micro Finance lending activities for providing financial services to economically weaker section in the rural and urban areas of India. JFSPL provides small value collateral free loans for income generating activities, solar loan and education loan to economically weaker section according to the guidelines of Reserve Bank of India vide Notification No. DNBS.CC.PD.No. 250/03.10.01/2011-12 dated 2nd December, 2011.

All financial transactions are conducted in group meetings organised near the inhabitats of these women. The operations, in the initial stages of group formations, involves efforts on development training on financial discipline, and later constant monitoring through meetings and providing financial and support services at the doorstep of the borrowers to ensure high rate of recovery.

Note-2 SIGNIFICANT ACCOUNTING POLICIES:

2.01 Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principle in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rule 2014 and the provisions of the Reserve Bank of India (RBI) as applicable to a Non Banking Financial Company. The Financial Statements are prepared under historical cost convention, on accrual basis except interest/discount on a loan which have been classified as Non Performing Assets and is accounted for on cash basis.

2.02 Use of Estimates

The preparation of Financial Statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statement and the result of the operations during the reporting year end. Although these assumptions are made as per the Management's best knowledge of current events and actions, actual result may differ from these estimates.

2.03 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2.04 Tangible Assets

All Tangible Fixed Assets have been stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation .

Depreciation on Tangible Fixed Assets has been provided on the straight-line method over the useful lives of assets estimated by the Management, which is consistent with the useful lives prescribed under Part 'C' of Schedule II of Companies Act, 2013. Intangible assets are amortised over their estimated useful lives on a straight-line basis. The management estimates the useful lives of the Fixed assets as follows.

Classes of Assets	Useful Lives
Office Equipment	8 Years
Computer & Software	3 Years
Furniture and Fixtures	10 Years

2.05 Intangible Assets acquired separately are measured on initial recognition at cost. Following recognition, intangible assets are carried at cost less accumulated amortisation.

2.06 Borrowing Cost

Interest on borrowing is recognised on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing.



Audited Financial Statement as on 31.03.2021

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

2.07 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- (i) Interest income on loans is recognised on accrual basis. Interest on Non-Performing Assets (NPA) is recognised only when realized.
- (ii) All other income is recognised on accrual basis.

2.08 Retirement and other Employee Benefits

- (i) The monthly contribution towards Provident Fund is charged to Profit and Loss Account for the year when the contribution to the respective fund is due. There are no other obligations other than the contribution payable to the respective funds.
- (ii) The company estimates its liability towards Employees Gratuity based on an actuarial valuation done by LIC of India using the Projected Unit Credit Method done at the end of each accounting period.

2.09 Credit Rating

The credit policy of the company requires all credit exposures to be measured, monitored and managed proactively. Exposure to credit risk is monitored on yearly basis by a leading external credit rating agency.

2.10 Taxation

- (i) Tax Expenses comprise of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act, 1961. Deferred Income Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- (ii) Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet Date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.
- (iii) The carrying amount of the Deferred Tax Assets is reviewed at each Balance Sheet Date. The company writes down the carrying amount of the deferred tax assets to the extent that it is no longer reasonably certain or virtually certain as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down amount is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

2.11 Classification of Portfolio Loans

Loans are classified as follows

Asset Classification	Period
Standard Assets	Current Loan and arrears upto 90 days
Sub Standard Assets	Arrears from 91 days upto 179 days
Doubtful Assets	Arrears from 180 days and more

2.12 Provision for loan losses

- (i) At the end of each financial year, the Management reviews all the Micro Credit on overdue basis and written-down amounts are being made as per past experience and present condition of the borrowers.
- (ii) The Provisioning Norms followed by the company are as follows:

Asset Classification	Arrear Period	As Per Reserve Bank of India Guidelines	Provision adopted by the Company for the Year 2020-21	Provision adopted by the Company for the Year 2019-20
Current Assets	-	0.40%	0.40%	0.40%
Standard Assets	Upto 90 days	0.40%	0.40% to 1%	0.40% to 1%
Sub Standard Assets	From 91 to 179 days	50%	50%	50%
Doubtful Assets	More than 180 days	100%	100%	100%

According to RBI Notification no. DNBR(PD).CC.047/03.10.119/2016-17 dated July 01, 2015, aggregate loan provision to be maintained by the NBFC-MFIs at any point of time shall not be less than the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.



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JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

2.13 Loan write-off policy

The Company as a policy matter has decided to write-off loans which are overdue and not recoverable for more than two years. Moreover, the management can take a decision of writing off loans as per the quality and expectation of realization of loans from borrowers. Further all loss assets identified as per the extent RBI guidelines are provided.

2.14 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity share holders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends related to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of or dilutive potential equity shares.

2.15 Provisions and Write-offs

A provision is recognized when an enterprise has a present obligation as a result of past event, its outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.16 Cash and Cash Equivalents

Cash and Cash equivalents in the Cash Flow Statement comprise cash on hand and unrestricted amount of cash at bank and unrestricted short-term investments with an original maturity of three months or less.

2.17 Contingent Liability and Contingent Asset

Contingent liability is disclosed for (i) possible obligations which will be confirmed only by future not wholly within the control of the company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent asset is not recognized in the financial statements since this may result in the recognition of income that may never be realized.



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A circular blue ink stamp with the text "JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED" around the top edge and "Kolkata" in the center. A handwritten signature "Shirouy" is written to the right of the stamp.

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note-3: SHARE CAPITAL

Particulars	₹	₹
	31ST MARCH , 2021	31ST MARCH, 2020
AUTHORISED 5,00,00,000 (P.Y.:3,00,00,000) Equity shares of Rs. 10/- each	50,00,00,000	30,00,00,000
	50,00,00,000	30,00,00,000
ISSUED, SUBSCRIBED AND PAID UP 2,53,50,863 no (P.Y.:2,21,45,735) paid up Equity shares of Rs.10/- each	25,35,08,630	22,14,57,350
	25,35,08,630	22,14,57,350

Terms/Rights attached to Equity Shares:

The Company has only one Class of equity Shares having at par value of Rs.10/- per Share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity will be entitled to receive the remaining asset of the company after distribution of all preferential amounts.

Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares of the company:

Name of the Shareholder	31ST MARCH , 2021		31ST MARCH, 2020	
	No. of shares	% of Holding	No. of shares	% of Holding
Sunanda Kumar Mitra	55,00,000	21.70%	55,00,000	24.84%
Alok Biswas	22,80,898	9.00%	22,80,898	10.30%
Loknath Agarwalla	16,11,509	6.36%	16,11,509	7.28%
Susim Mukul Datta	13,83,819	5.46%	13,83,819	6.25%
SIDBI Trustee Company Ltd -A/c Samridhi Fund	46,75,471	18.44%	46,75,471	21.11%
Sun Tech City Pvt. Ltd	32,05,128	12.64%	-	0.00%

The reconciliation of number of Equity Shares is set out below

Particulars	31ST MARCH , 2021	31ST MARCH, 2020
Number of Shares at the beginning	2,21,45,735	2,02,31,565
Add: Issue of Equity Shares during the Year	32,05,128	19,14,170
Number of shares at the end	2,53,50,863	2,21,45,735

Issue of Sweat Equity Shares

Particulars	31ST MARCH , 2021	31ST MARCH, 2020
Number of Shares at the beginning of the year	20,00,000	20,00,000
Add: Issue of Sweat Equity during the year	0	-
Number of Shares at the end of year	20,00,000	20,00,000

During the year the Company has not allotted any Sweat Equity Shares

Note-4

Particulars	₹	₹
	31ST MARCH , 2021	31ST MARCH, 2020
RESERVES & SURPLUS		
A. Statutory Reserve		
Opening Balance	1,43,12,733	22,74,823
Add: Transfer from Surplus	9,30,203	1,20,37,910
	1,52,42,936	1,43,12,733
According to Section 45-IC of the Reserve Bank of India Act, 1934 every NBFC shall create a reserve fund and transfer therein a sum not less than 20% of the net profit of each year as disclosed in the Profit and Loss account.		
B. Share Premium		
Opening Balance	5,41,33,666	3,59,49,050
Add: Premium received during the year	4,29,48,715	1,81,84,616
Total Share Premium	9,70,82,381	5,41,33,666
C. Surplus in Profit and Loss Account.		
Opening Balance	5,49,87,480	68,35,840
Add: Profit for the Period	46,51,016	6,01,89,550
Amount available for appropriation	5,96,38,496	6,70,25,390
<i>Appropriation :</i>		
Transfer to Statutory Reserve	9,30,203	1,20,37,910
	5,87,08,293	5,49,87,480
TOTAL (A+B+C)	17,10,33,610	12,34,33,879



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JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

NOTE - 5 : LONG TERM BORROWINGS

Terms of Repayment of Term Loan as on 31.03.2021

Figures in(₹)

Sl. No.	Banks / Financial Institutions	Balance as on 01.04.2020	Received during the year	Repaid during the year	Balance as on 31.03.2021	Nature of Security
						Hypothecation of Book Debts
SECURED LOANS/UNSECURED LOANS						
TERM LOAN FROM BANKS/FINANCIAL INSTITUTIONS						
1	Mas Financial Services Limited	20,96,87,475	4,50,00,000	15,79,16,688	9,67,70,787	Yes
2	Axis Bank Ltd	1,17,42,862	-	1,17,42,862	-	Yes
3	Capital First Ltd	8,88,88,887	-	3,19,44,377	5,69,44,510	Yes
4	Sub-ordinated debt,Mas Financial Services Ltd	3,00,00,000	-	-	3,00,00,000	-
5	Arohan Financial Services Ltd	13,54,10,349	-	9,95,13,033	3,58,97,316	Yes
6	Ananya Finance for Inclusive Growth Pvt. Ltd	2,99,57,211	50,00,000	2,49,84,320	99,72,891	Yes
7	Muthoot Capital Services Ltd	1,99,99,996	-	1,66,66,670	33,33,326	Yes
8	SIDBI	12,00,00,000	-	6,00,00,000	6,00,00,000	Yes
9	AU Small Finance Bank	1,11,11,108	-	1,11,11,108	-	Yes
10	State Bank of India	3,26,92,369	30,00,00,000	9,45,48,297	23,81,44,072	Yes
11	Bandhan Bank Ltd	19,09,52,385	-	10,52,38,100	8,57,14,285	Yes
12	ESAF Small Finance Bank	4,02,27,294	-	1,50,16,431	2,52,10,863	Yes
13	Union Bank of India TL 1	3,93,01,502	-	1,92,97,506	2,00,03,996	Yes
14	UC Inclusive Credit Pvt Ltd	6,59,48,489	-	4,09,57,978	2,49,90,511	Yes
15	Jainsons Finlease Ltd TL 2 Tr 1	6,25,36,189	-	3,71,52,044	2,53,84,145	Yes
16	Profectus Capital Services Ltd	2,94,13,060	-	2,17,71,339	76,41,721	Yes
17	Electronica Finance Limited	1,17,89,058	-	1,10,48,477	7,40,581	Yes
18	Hinduja Leyland Finance	8,95,69,843	-	4,45,90,169	4,49,79,674	Yes
19	Annapurna Finance Pvt. Ltd	9,24,47,731	-	4,68,83,776	4,55,63,955	Yes
20	Maanaveeya Development & Finance Pvt. Ltd	3,75,00,000	-	1,78,50,000	1,96,50,000	Yes
21	Incred Financial Services Pvt Ltd TL 2	3,00,00,000	-	1,39,59,765	1,60,40,235	Yes
22	NABARD	-	6,00,00,000	-	6,00,00,000	Yes
	Total	1,37,91,75,808	41,00,00,000	88,21,92,940	90,69,82,868	

Less:Current Maturities Transferred to Other Liabilities (Refer Note No-8) 70,74,53,164

Balance as on 31.03.2021

19,95,29,704

NOTE - 6 : SHORT TERM BORROWINGS

Terms of Repayment of Term Loan as on 31.03.2021

Sl. No.	Banks / Financial Institutions	Balance as on 01.04.2020	Received during the year	Repaid during the year	Balance as on 31.03.2021	Nature of Security
						Hypothecation of Book Debts
SECURED LOANS						
TERM LOAN FROM BANKS/FINANCIAL INSTITUTIONS						
1	Nova Vyapar Private Limited	2,58,00,000	2,70,00,000	2,58,00,000	2,70,00,000	Yes
2	Vivriti Capital	4,69,42,401	-	4,69,42,401	-	Yes
3	Northern Arc Capital Ltd	7,96,13,522	-	5,43,02,689	2,53,10,833	Yes
4	SIDBI	-	20,00,00,000	16,75,00,000	3,25,00,000	Yes
	Total	15,23,55,923	22,70,00,000	29,45,45,090	8,48,10,833	



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JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note-7 Trade payables		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Liability for Expenses	8,93,012	14,42,262
Group Insurance Premium	42,65,179	47,26,322
Total	51,58,191	61,68,584

Note-8 Other Current Liabilities		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Current maturities of Long Term Debt	70,74,53,164	93,05,83,887
Statutory Liabilities	14,43,706	18,10,286
Interest Accrued but Not due	39,79,864	96,69,794
Payable to Creditors (Lenders)	32,03,184	43,98,718
Total	71,60,79,918	94,64,62,685

Note-9 Provisions				
Provision for Portfolio Loan Assets:	Long Term		Short Term	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Contingent Provision against current and Standard Assets	31,92,967	20,52,904	11,96,463	72,76,312
Non Performing Loans	-	-	1,00,63,456	62,90,342
Total	31,92,967	20,52,904	1,12,59,919	1,35,66,654
Others				
General Provision on Standard Asset but overdue on 29.02.2020. (Covid 19)	-	-	6,35,240	3,17,620
Provision for Regulatory Framework Portfolio	-	-	-	-
Provision against FLDG kept with Principals. (Assigned/Business Correspondent)	-	-	2,01,95,227	83,06,496
Provision for Taxation	-	-	(192)	2,92,24,443
Total	31,92,967	20,52,904	3,20,90,194	5,14,15,213

Note-10 FIXED ASSETS:				
Tangible:				
Cost or Valuation	Figures in			₹
	Office Equipments	Computer & Software	Furniture & Fixtures and Equipments	Total
As at 1st April 2020	29,71,500	44,35,712	43,19,698	1,17,26,910
Additions during the period	2,52,325	3,50,533	2,58,095	8,60,953
Disposals	-	-	-	-
As at 31st March 2021	32,23,825	47,86,245	45,77,793	1,25,87,863
Depreciation				
As at 1st April 2020	6,59,226	19,07,570	8,63,971	34,30,767
Charge For the Period	4,71,730	9,26,736	3,59,940	17,58,406
Disposals	-	-	-	-
As at 31st March 2021	11,30,956	28,34,306	12,23,911	51,89,173
Net Block as on 31st March 2021	20,92,869	19,51,939	33,53,882	73,98,690

Intangible:		
Cost or Valuation	Figures in	
	Software	₹
As at 1st April 2020	32,20,037	32,20,037
Additions during the period	1,66,600	1,66,600
Total	33,86,637	33,86,637
Amortisation as on 01.04.2020	6,44,007	6,44,007
Amortisation during the period	6,77,327	6,77,327
Total Amortisation as on 31st March 2021	13,21,334	6,77,327
Net Block as on 31st March 2021	20,65,303	20,65,303



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Audited Financial Statement as on 31.03.2021

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note-11 Long Term Loans and Advances		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Micro Finance Loans	31,92,96,658	20,52,90,425
Advance against fixed Assets	-	-
Term Deposit with banks (kept as lien with the lenders)	17,59,49,146	13,03,57,627
Interest Accrued on Fixed Deposits	1,40,30,189	85,90,094
Total	50,92,75,993	34,42,38,146
Note-12 Cash and cash equivalents.		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
(a) Balances with banks	9,98,03,362	9,47,97,988
(b) Cash on hand	18,13,846	4,76,260
(c) Fixed Deposit with Banks (kept as lien with the lenders)	1,53,39,022	3,34,50,000
Total	11,69,56,230	12,87,24,248
Note-13 Short Term Loans and Advances:		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Micro Finance Loans		
Opening Balance	2,39,26,05,452	1,52,71,35,379
Add: Loan Disbursed	84,88,05,000	3,33,14,92,000
Sub-Total	3,24,14,10,452	4,85,86,27,379
Less: Realised	1,58,84,13,924	2,42,35,71,805
Less: Securitised portfolios Outstanding	86,53,887	6,66,53,115
Less: Bad Debt Written Off	3,86,17,754	-
Less: BC Loan Outstanding	53,41,79,585	80,64,46,594
Less: MAS BC Portfolio Receivable from Borrowers	8,45,66,511	-
	98,69,78,791	1,56,19,55,865
(i) Microfinance Loan (Unsecured and considered good)	98,69,78,791	1,56,19,55,865
Less: Transferred to Long Term Loans and Advances	31,92,96,658	20,52,90,425
Short Term Micro Loans	66,76,82,133	1,35,66,65,440
(ii) Advance Income Tax(Net)	25,94,775	3,25,51,043
(ii) Loans & Advance to Staffs	30,17,934	14,67,268
Total	67,32,94,842	1,39,06,83,751
i. The company offers small loan products to its borrowers for income generation, which are repayable in equal weekly/fortnightly/Monthly instalments.		
ii. Apart from the above Loan portfolio the company also manages portfolio worth Rs.54.28 crore as a Business Correspondent on behalf of different Banks and NBFCs (i.e.Principals). Please refer note no-23 & 24.		
Note-14 Other current assets		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Security Deposit	2,02,51,386	2,74,81,976
Interest accrued on Fixed Deposit	17,78,958	32,99,508
Interest accrued on Portfolio Loan	1,68,83,987	1,88,73,302
Trade Receivables*	10,47,93,071	1,69,95,503
MRR Receivable	53,86,061	66,65,311
Commission Receivable from Principals	64,84,250	31,93,357
Insurance Claim	10,70,232	11,45,185
Total	15,66,47,945	7,76,54,142
* Trade receivables includes Rs.8.45 Crore paid to MAS Financial Services Limited (Principal) on behalf of micro finance borrower covered under Business corespondent module of operation.		







JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note-15 Revenue from operations		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Interest on Loan. (Refer Note (i) below)	31,28,29,401	29,53,54,549
Loan Processing Fees	60,31,000	2,55,25,620
Total	31,88,60,401	32,08,80,169
Note-16 Other Income		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Interest on Fixed Deposit	1,12,34,600	1,08,37,684
Dividend on Mutual Fund	7,06,678	43,10,262
Commission received as Business Corespondent	5,19,89,258	6,82,96,836
Profit on sale of Loan Portfolio	1,83,675	46,02,895
Miscellaneous Income	71,123	1,24,192
Total	6,41,85,334	8,81,71,869
Note-17 Employee benefit expenses		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Salaries & Wages ,etc.	7,27,27,827	6,56,00,999
Provident Fund and ESI	59,02,205	56,48,172
Bonus and Exgratia	29,69,704	23,14,936
Gratuity	11,21,035	15,58,686
Employee Health and Insurance Premium	5,99,192	4,48,467
Total	8,33,19,963	7,55,71,260
Salaries and wages includes: Salaries, wages, compensated absences and all other amounts payable to employees in respect of services rendered as per their employment terms under a contract of service / employment.		
The company has estimated its liability towards Employees Gratuity based on an actuarial valuation.		
Note-18 Finance Cost		
Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Interest on Borrowings	19,65,91,915	17,95,97,227
Loan Processing Fees	50,45,000	1,28,83,701
Stamp Charges	50,486	6,04,400
Total	20,16,87,401	19,30,85,328



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JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note-19 Other expenses			
Particulars	31ST MARCH ,		31ST MARCH, 2020
	2021		₹
	₹		₹
Audit fee	2,00,000		2,17,850
Telephone & Internet	23,21,819		11,99,163
Bank Charges	12,11,638		8,56,743
Electricity Expenses	5,56,179		5,49,290
ROC Fees	15,41,000		31,500
Professional Fees	47,40,580		72,21,940
Office Rent	62,19,080		52,60,952
Printing & Stationery expenses	9,72,494		15,54,924
Travelling & Conveyance	61,69,127		61,49,499
Office Expenses	22,59,181		23,50,244
Training Expenses	17,64,576		23,71,995
Rates and Taxes	1,03,084		2,47,216
Staff Welfare	21,03,383		30,19,093
Directors Sitting Fees	4,30,000		3,22,500
Insurance	9,64,733		2,80,531
Repair & Maintenance	23,050		53,080
Goods and Services Tax	16,88,870		21,86,259
IT related Charges	10,97,921		8,76,698
Membership Fees	6,17,198		5,58,563
Consultancy Charges	10,48,000		11,70,522
Preliminary Expenses Written off	-		14,20,351
Loss on Business Correspondent Model	2,86,13,035		-
Bad Debt Written off	1,00,04,719		-
Donation to PM Cares Fund	5,00,000		-
Total	7,51,49,667		3,78,98,913

Note-20 Provisions for Loan Loss				
Particulars	As at 1st April, 2020	Additions	Utilisation	As at 31st March, 2021
	₹			₹
Provision for Loan Loss on Portfolio Loan	1,56,19,559	(11,66,674)	-	1,44,52,885
Provision against Standard assets as on 29.02.2020 (Please refer Note 22) against which moratorium granted due to COVID-19.	3,17,620	3,17,620	-	6,35,240
Provision for Regulatory Framework Portfolio	-	-	-	-
Provision for Loss on Securitised Portfolio	2,42,030	2,46,439	-	4,88,469
Provision for Loss on Portfolio of Business Correspondence	80,64,466	1,16,42,292	-	1,97,06,758
Total	2,42,43,675	1,10,39,677	-	3,52,83,352

Note-21 Classification of Portfolio Loan on age basis					
Particulars	Estimated Provisions Adopted	As at 31st March, 2021		As at 31 March, 2020	
		Principal	Provision Amount (₹)	Principal	Provision Amount (₹)
Current	0.40% to 1%	89,17,35,282	35,66,941	1,54,79,09,142	92,94,866
Up to 90 days	0.40% to 1%	8,22,48,823	8,22,488	34,34,980	34,350
91 to 179 days	50%	58,62,460	29,31,230	86,42,801	43,21,401
180 days or more	100%	71,32,226	71,32,226	19,68,942	19,68,942
Total		98,69,78,791	1,44,52,885	1,56,19,55,865	1,56,19,559
*Subject to 1% Whichever is Higher		98,69,78,791	98,69,788	1,56,19,55,865	1,56,19,559

According to RBI Notification no. DNBR.(PD)CC.047/03.10.119/2015-16 dated July 01,2015, aggregate loan provision to be maintained by the NBFC-MFIs at any point of time shall not be less than the higher of a) 1% of the outstanding loan portfolio or b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.

Note-22 Provision for Regulatory Package of COVID 19				
Particulars	Principal as on 29.02.2020	Provision Amount (₹)	Provision Amount (₹)	Total Provision (10%)
	₹	31st March 2020	30th June 2020	₹
Principal outstanding of all standard but overdue accounts (DPD 1 to 89 days)	63,52,401	3,17,620	3,17,620	6,35,240
Total	63,52,401	3,17,620	3,17,620	6,35,240



Shivani

Audited Financial Statement as on 31.03.2021

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

According to RBI Circular No.RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 on COVID19 Regulatory Package - Asset Classification and Provisioning, a general provisions of 10 per cent shall be computed for all standard but overdue accounts on February 29, 2020 for which moratorium has been granted. This amount would then be provided in a phased manner i.e. 5 per cent in Q4 of FY 19-20 and remaining 5 per cent in Q1 of FY 20-21

Note-23 Securitised/Assigned Loan Portfolio:

During the Period, the Company has managed loan portfolio of Catalyst Trusteeship Ltd as Service Provider. Details are as given below.

Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Opening Balance	2,42,02,993	
Portfolio assigned	-	66,53,115
Total	2,42,02,993	66,53,115
Amount collected	1,55,49,106	4,24,50,122
Outstanding Portfolio	86,53,887	2,42,02,993

Note-24 Loan Portfolio managed as a Business Correspondent.

During the Period, the Company has engaged as a business correspondent of MAS Financial Services Ltd ,Utkarsh Small Finance Bank and IDBI Bank Limited. Details are as given below.

Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Opening Balance	80,64,46,594	63,76,29,471
Amount disbursed	26,46,84,717	51,13,10,000
Total	1,07,11,31,311	1,14,89,39,471
Amount collected	53,69,51,726	34,24,92,877
Outstanding Portfolio	53,41,79,585	80,64,46,594

Note-25: Income as Business Correspondent

Particulars	31ST MARCH , 2021	31ST MARCH, 2020
	₹	₹
Commission Received from MAS Financial Services Ltd	2,57,95,490	2,33,41,363
Commission Received from Utkarsh Small Finance Bank Ltd	2,59,88,862	4,43,55,163
Commission Received from IDBI Bank Ltd	2,04,906	6,00,310
	5,19,89,258	6,82,96,836

Note-26 Related Party Transactions

As per Accounting Standard 18 (AS-18) on related party disclosure issued by the Institute of Chartered Accountants of India related parties of the company are as follows.

Names of Related Parties and Nature of Relationship.

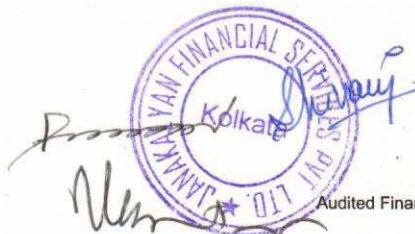
a) Key Management Personnel	
Alok Biswas	Managing Director
Sunanda Kumar Mitra	Chairman and Whole Time Director
Arup Kumar Dutta	Chief Financial Officer(CFO)
Shivani Agarwal	Company Secretary(CS)

b) Nature of Transactions

Particulars	31.03.2021		31.03.2020	
	Transaction Value (₹)	Outstanding (₹)	Transaction Value (₹)	Outstanding (₹)
i) Alok Biswas				
Remuneration	39,00,000	-	43,50,000	-
Sweat Equity Shares	-	-	-	-
ii) Sunanda Kumar Mitra				
Remuneration	34,50,000	-	30,00,000	-
Sweat Equity Shares	-	-	-	-
iii) Chief Financial Officer and Company Secretary				
Remuneration	29,86,360	-	20,93,900	-



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JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note-27 Segment Reporting
The company operates in a single reportable segment i.e. lending in Microfinance Sector, which have similar risk and returns for the purpose of AS-17 on 'Segment Reporting' issued by ICAI. The company does not have any reportable Geographical Segment.

Note-28 Disclosure of micro and small enterprises.
The Company has the process of identification of suppliers registered under Micro, Small and Medium Enterprises Act 2006 (The MSME) by obtaining confirmation from all the suppliers. Based on the information available with the company no amount is payable to micro, small and medium enterprises.

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Net Profit After Tax	46,51,016	6,01,89,550
Weighted Average Number of Shares	2,24,61,857	2,10,81,142
Earning per share (Basic/Diluted)	0.21	2.86
Nominal Value per Share	Rs.10/-	Rs.10/-

Note 30 Additional Disclosure pursuant to Reserve Bank of India Direction vide Circular No- DNBS (PD),CC No.047/03.10.119/2015-16 dated July 1, 2015.

Capital to Risk Weighted Assets Ratio (CRAR)	31ST MARCH, 2021	31ST MARCH, 2020
CRAR	42.42%	23.25%
CRAR- Tier I Capital	40.04%	20.90%
CRAR-Tier II Capital	2.38%	2.35%

Note 31 Additional Disclosure pursuant to Reserve Bank of India Direction vide Circular no. RBI/2014-15/299, DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10,2014.

PARTICULARS	REMARKS																														
1.Capital to risk (Weighted) Assets Ratio	Refer Note No. 30.																														
2.Investment	Nil																														
3.Derivatives i) Forward Rate Agreement/ Interest Rate Swap ii) Exchange Traded Interest Rate (IR) Derivatives iii) Discloser ob Risk Exposure in Derivatives iv) Forward rate agreement / interest rate swap	The company has not entered into any derivative transactions in the current and previous years.																														
4. Disclosure relating to Scuritisation i) Information duly certified by the SPV'S Auditors obtained by the ii) Details of financial assets sold to scuritisation/Reconstruction iii) Details of Assignment transactions undertaken by NBFCs	The Company has not assigned/securitised any loan portfolio but there is an outstanding balance of Rs.086 lakh which was assigned to Catalyst Trusteeship Ltd in 2019-20 and also managed the Loan portfolio of Utkarsh Small Finance Bank Ltd, MAS Financial Services Pvt Ltd and IDBI Bank Ltd. Please refer Note no-23 and 24.																														
5.Details of non performing financial assets purchased /Sold i) Details of non performing financial assets purchased : ii) Details of non performing financial assets sold:	The Company has not purchased/sold any non performing financial assets.																														
6.Assets Liability Managements Maturity pattern of certain items of assets and liabilities. Details as on 31st March 2021.																															
<table border="1"> <thead> <tr> <th>Particulars</th> <th>up to 30/31 days</th> <th>over one month to 2 months</th> <th>over 2 months to 3 months</th> <th>over 3 Months upto 6 months</th> <th>over 6 Months upto 1 year</th> </tr> </thead> <tbody> <tr> <td>Deposits</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Advances</td> <td>8.52</td> <td>7.18</td> <td>9.39</td> <td>16.25</td> <td>25.43</td> </tr> <tr> <td>Investments</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Borrowings</td> <td>11.81</td> <td>8.24</td> <td>7.67</td> <td>23.20</td> <td>26.31</td> </tr> </tbody> </table>	Particulars	up to 30/31 days	over one month to 2 months	over 2 months to 3 months	over 3 Months upto 6 months	over 6 Months upto 1 year	Deposits	0.00	0.00	0.00	0.00	0.00	Advances	8.52	7.18	9.39	16.25	25.43	Investments	0.00	0.00	0.00	0.00	0.00	Borrowings	11.81	8.24	7.67	23.20	26.31	
Particulars	up to 30/31 days	over one month to 2 months	over 2 months to 3 months	over 3 Months upto 6 months	over 6 Months upto 1 year																										
Deposits	0.00	0.00	0.00	0.00	0.00																										
Advances	8.52	7.18	9.39	16.25	25.43																										
Investments	0.00	0.00	0.00	0.00	0.00																										
Borrowings	11.81	8.24	7.67	23.20	26.31																										
<table border="1"> <thead> <tr> <th>Particulars</th> <th>Over 1 year upto 3 years</th> <th>Over 3 years upto 5 years</th> <th>Over 5 years</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Deposits</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Advances</td> <td>31.93</td> <td>0.00</td> <td>0.00</td> <td>98.70</td> </tr> <tr> <td>Investments</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Borrowings</td> <td>21.95</td> <td>0.00</td> <td>0.00</td> <td>99.18</td> </tr> </tbody> </table>	Particulars	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total	Deposits	0.00	0.00	0.00	0.00	Advances	31.93	0.00	0.00	98.70	Investments	0.00	0.00	0.00	0.00	Borrowings	21.95	0.00	0.00	99.18						
Particulars	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total																											
Deposits	0.00	0.00	0.00	0.00																											
Advances	31.93	0.00	0.00	98.70																											
Investments	0.00	0.00	0.00	0.00																											
Borrowings	21.95	0.00	0.00	99.18																											

Note: The Company does not have any foreign currency Assets or Liabilities.



JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

7.Exposure i) Exposure to Real estate sector ii) Exposure to Capital Market.	The Company has no exposure to real estate and Capital Market directly or indirectly.
8. Details of Financing of parent company products: i) Details of single borrower limit (SGL) / Group Borrower limit(GBL) exceeded by NBFC ii) Unsecured Advances	Single borrower limit (SGL)/ Group Borrower Limit (GBL) has not exceeded by the Company. Portfolio Loan of Rs.98,69,78,791/-
9.Miscellaneous i) Registration obtained from other financial sector regulators ii) Disclosure of Penalties imposed by RBI and other regulators	Ministry of Corporate affairs No Penalties Imposed by the RBI and other regulators during the Current year and Previous Year. Refer Note No-26.
iii) Related Party Transaction iv) Rating assigned by credit rating agencies and migration of ratings during the year v) Renumeration of Directors vi) Net profit or loss for the period, prior period items and changes in accounting policies vii) Revenue Recognition	BB+(ACUITE Ratings dated 16.01.2021) Refer Note No-26. Nil Refer Note No-2.06.

10. Additional Disclosures i) Provisions and contingencies ii) Draw Down from Reserves iii) Concentration of Deposits,Advances,Exposures and NPAs a) Concentration of deposit (for Deposit taking NBFCs) b) Concentration of Advances c) Concentration of Exposure d) Concentration of NPAs iv) Overseas Assets (for those Joint Ventures and Subsidiaries abroad) as per accounting norms	Refer Note No-31A Nil Not applicable as the Company is NBFC-ND-NSI. Refer Note No-31B. Refer Note No-31C Refer Note No-31D The NBFC has not any overseas Assets . Not applicable as the Company has not any SPVs.
11. Disclosure of Complaints	The company has not received any complaint during the Year.

Note. 31A
Breakup of Provisions and contingencies shown under the head Expenditure in Profit and Loss Statement.

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Provision for Income Tax	47,61,321	2,38,74,120
Provision for Gratuity	11,21,035	15,58,686
Provision towards NPA	1,00,63,456	62,90,342
Provision for Standard Assets	43,89,429	93,29,216

Note. 31B
Concentration of Advances

Particulars	31ST MARCH, 2020	31ST MARCH, 2019
	₹	₹
Total Advances to twenty Largest borrowers	8,00,000	8,00,000
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.08%	0.08%

Note. 31C
Concentration of Exposures

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Total Advances to twenty Largest borrowers	8,00,000	8,00,000
Percentage of total Advances to twenty Largest borrowers to total advance of the NBFC	0.08%	0.08%

Note. 31D
Concentration of NPA'S

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
	₹	₹
Total Exposure to top four NPA accounts	1,10,075	99,125

Note 32 **Average rate of Interest, cost of borrowing and Margin**

Particulars	31ST MARCH, 2021	31ST MARCH, 2020
Average Interest(a)	21.89%	24.90%
Average cost of borrowing(b)	13.98%	15.10%
Margin(a-b)	7.91%	9.80%



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JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

Note 33 Disclosure details as required in terms of Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank of India) Directions.			
LIABILITIES SIDE	Amount Outstanding	Amount	Overdue
1 Loans and advances availed by the NBFCs			
a. Debentures: Secured	Nil		Nil
Unsecured	Nil		Nil
(other than falling within the meaning of public deposits)			
b. Deferred Credits	Nil		Nil
c. Term Loans	99,17,93,701		Nil
d. Inter-corporate loans and borrowing	Nil		Nil
e. Commercial paper	Nil		Nil
f. Public Deposits	Nil		Nil
g. Other Loans (Cash Credit facility)	Nil		Nil
Total	Nil		Nil
2 Break-up of (1)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :			
a. In the form of unsecured debentures	Nil		Nil
b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil		Nil
c. Other public deposits	Nil		Nil
Total	Nil		Nil
3 ASSETS SIDE			
Break-up of Loans and advances including bills receivables (other than those included in (4) below) :		Amount Outstanding (in Rs.)	
a. Secured			
b. Unsecured (see schedule)	98,69,78,791		98,69,78,791
4 Break up of Leased Assets and stock on hire and hypothecation			
Loans counting towards EL/HP activities :			
I Lease assets including lease rentals under Sundry Debtors	Nil		Nil
a. Financial lease	Nil		Nil
b. Operating lease	Nil		Nil
II Stock on hire including hire charges under Sundry Debtors	Nil		Nil
a. Assets on hire	Nil		Nil
b. Repossessed Assets	Nil		Nil
III Hypothecation Loans counting towards EL/HP activities	Nil		Nil
a. Loans where assets have been repossessed	Nil		Nil
b. Loans other than (a) above	Nil		Nil
Total	Nil		Nil
5 Break up of Investments :			
Current Investments			
1 Quoted Shares			
I Shares : (a) Equity	Nil		Nil
(b) Preference	Nil		Nil
II Debentures and Bonds	Nil		Nil
III Units of mutual funds	Nil		Nil
IV Government Securities	Nil		Nil
V Others (Please Specify)	Nil		Nil
2 Un-Quoted Shares			
I Shares : (a) Equity	Nil		Nil
(b) Preference	Nil		Nil
II Debentures and Bonds	Nil		Nil
III Units of mutual funds	Nil		Nil
IV Government Securities	Nil		Nil
V Others (Please Specify)	Nil		Nil
Long Term Investments :			
1 Quoted Shares			
I Shares : (a) Equity	Nil		Nil
(b) Preference	Nil		Nil
II Debentures and Bonds	Nil		Nil
III Units of mutual funds	Nil		Nil
IV Government Securities	Nil		Nil
V Others (Please Specify)	Nil		Nil
2 Un-Quoted Shares			
I Shares : (a) Equity	Nil		Nil
(b) Preference	Nil		Nil
II Debentures and Bonds	Nil		Nil
III Units of mutual funds	Nil		Nil
IV Government Securities	Nil		Nil
V Others (Please Specify)	Nil		Nil



Shivraj

Audited Financial Statement as on 31.03.2021

JANAKALYAN FINANCIAL SERVICES PRIVATE LIMITED

6 Borrower group-wise classification of all leased assets, stock on hire and Loans and advances :			
Category	Amount net of provisions		
	Secured	Unsecured	Total(in Rs.)
1 Related Parties **			
a.Subsidiaries	Nil	Nil	Nil
b.Companies in the same group	Nil	Nil	Nil
c.Other related parties	Nil	Nil	Nil
2 Other than related parties	Nil	98,69,78,791	98,69,78,791
7 Investor group-wise classification of all Investments (current and long term) in shares and securities (both quoted and un quoted).			
Particulars	Market value/Break up or fair value or NAV		Book Value (Net of provisions)
Category			
1 Related Parties		Nil	Nil
a.Subsidiaries		Nil	Nil
b.Companies in the same group		Nil	Nil
c.Other related parties			
2 Other than related parties		Nil	Nil
Total		Nil	Nil
**As per Accounting Standard of ICAI			
8 Other Information:			
Particulars			
I. Gross Non-performing Assets			
a.Related parties		Nil	Nil
b.Other than related parties		1,29,94,686	1,29,94,686
II Net Non-performing Assets			
a.Related parties		Nil	Nil
b.Other than related parties		Nil	Nil
III Assets acquired in satisfaction of debt			

Note-34 Previous Year Figures			
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.			
For SRB & Associates		For and on behalf of the Board of Directors	
Chartered Accountants			
Firm Registration No. 310009E			
			
Biswanath Paul (Partner)		Sunanda Kr. Mitra Chairman	Alok Biswas Managing Director
M. No.068186		DIN-03521074	DIN-03141650
UDIN:21068186AAAAEH6520			
Date :31/05/2021			
Place:Kolkata		Arup Kumar Dutta Chief Financial Officer	Shivani Agarwal Company Secretary
			M.No. A42303