

ANNUAL REPORT 2017-2018

janakalyan





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OUR VISION

To build a world class financial institution committed to economic upliftment of the under-privileged through financial inclusion.

OUR MISSION

To improve the standards of living of millions of Indians engaged in micro, small and medium enterprises across the country through a wide range of financial services, in a sustainable and transparent manner based on mutual respect and understanding.

OUR VALUES

A – Accountability,
C – Commitment,
C - Customer centricity
E – Ethics,
P – Professionalism and
T - Transparency and Team Work





Message from the Chairman

Dear Shareholders,

On behalf of the Board of Directors, I extend a warm welcome to you all to the 2nd Annual General Meeting of your Company.

The year 2017-18 was effectively the first full year of operation for your Company as we had been in business only for a period of 10 days during the previous financial year 2016-17. Our first Branch in Lauhati in North 24 Parganas was opened only on 22/03/2017 when we commenced our lending operations.

The year under reporting has been highly productive and satisfying for all the stake-holders, thanks to whole-hearted commitment of our staff members, guidance of the Management Team and valuable support of our investors and lenders. Our special thanks and gratitude are due to Sreema Mahila Samiti based at Duttapulia, Dist. Nadia and its inspiring Secretary Ms Bani Saraswati for offering us their microfinance portfolio which provided a significant boost to our business growth and enabled your company to achieve break-even within the first year itself, a remarkable achievement that is a matter of pride for all of us in Janakalyan.

As you are well aware, Sreema Mahila Samiti enjoys impeccable reputation as a trusted NGO in rural Bengal with significant contribution towards all round development of the underprivileged people, specially women and children. It's a matter of pride for us to join hands with Sreema Mahila Samiti as a partner in fulfilling our social obligations as incorporated in your Company's vision of Corporate Social Responsibility and to bring about a qualitative improvement in the Human Life Index in Rural India where we mostly operate.

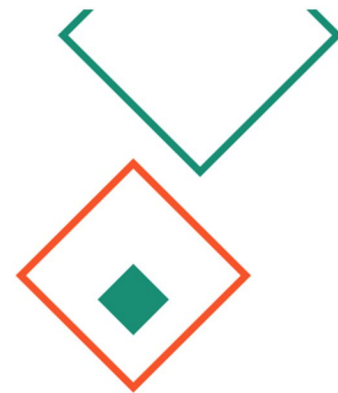
I am happy to report that your company has grown steadily over the year, achieving a total network of 35 branches as at the end of March 2018, spreading to neighboring Bihar and Odisha States covering a total 62494 all-women member/borrowers located in 2016 villages in 10 Districts, being served by 226 number of dedicated staff members. What is most satisfying is that we have a sizable strength of female employees numbering 93 which constitutes 41% of our total staff strength including 12 Branch Heads, 16 Asst. Branch Heads and 1 Cluster Head. With all women borrowers and a good percentage of female employees, we are happy to play a small part in bringing about women empowerment in our country.

Our goal is to spread financial inclusion among the unserved and underserved population through micro lending at the grass-root level and bring about financial and social security specially among the rural women and accelerate the process of economic transformation in the country-side. It is truly said that India lives in its villages and we are committed to devote all our energy and resources in ramping up rural entrepreneurship in a cost effective manner while adhering to our core values of transparency and customer centricity.

As we pass through exciting social and economic changes happening across the country, we look forward to achieving more milestones in the years ahead growing from strength to strength. Before I conclude, I would like to express our heart-felt thanks and gratitude to our Shareholders, Board of Directors, our customers, business partners including lenders and above all, our employees who have helped in laying a strong foundation of your Company on which we shall continue to grow in the years to come.

Thank you once again.

S. K. Mitra
Chairman



From Managing Director's Desk

Dear Shareholders,

It gives me immense pleasure to narrate some of the developments in Janakalyan in the year 2017-2018. Janakalyan believes in creating a customer-centric business, with healthy amalgamation of financial inclusion and sustainable livelihoods. We aim at mass-based services and our objective is to balance needs of the customer with responsible business practices. We have emerged stronger after withstanding the post-demonetization stress in the microfinance sector. We are determined to grow beyond limits and have started building a robust foundation that will be responsive and transparent. We have just started making a difference in the lives of our stakeholders.

Microcredit is not just about offering small loans to unbanked individuals, it is about driving financial inclusion in India. It is not just about giving small loan amounts to a large number of people, it is about harnessing the economic potential of the largest unbanked, underpenetrated population of our Country. It is not only about loans and recovery, it is beyond that. Janakalyan is engaged in nation building by growing its micro-finance business, offering more products, widening its footprint and extending economic prosperity to thousands and will continue to do so.

Even as India has strengthened her global relevance, it is sad that only a small proportion of our economic progress has percolated to the lower section of the Indian masses which comprises close to 70% of India's 1.2 bn people. This makes financial inclusion of the rural masses critical for sustained economic growth. And within this larger opportunity, we see an important niche – Indian women. In a country where close to 50% of the population comprises women and of which only about 25% are employed, the biggest opportunity lies in transforming the homemaker into a home contributor and an economy driver, especially women at the lower end of the societal pyramid. Through microcredit, we intend to make a meaningful difference at the lower end of the pyramid. As a proactive micro-finance organisation, we shall stay close to our customers even as we expand our geographic coverage enhancing service efficiency as we entrench our presence in remote and challenging locations. Having grown our business responsibly and sustainably over the last year, we are able to on-board good talent from the Reserve Bank, Private Sector Banks and Social Sector at senior levels to take the Company to a higher orbit. We have strengthened our people through team-bonding initiatives and intensified training modules and encourage our employees at our branches to work with joy and a sense of fulfilment. In the coming years we will strengthen our presence in Bihar, Odisha, Jharkhand, Tripura etc and our business processes to better manage the operational efficiency and control mechanism.

In the last 12 months, being the full fledged first year of operations, we have entered three States (West Bengal, Bihar and Odisha) and covered 2016 villages and 9 Districts through 35 new branches and disbursed Rs.139.60 crore to 75102 new customers. Our active customer base as on March 31, 2018 is 62494. We shall widen and deepen our footprints in the coming years for robust growth.

We have invested in a comprehensive loan management module, partnered with M/s Force Ten Technologies, Kolkata. This technological backbone facilitated quicker data transfer between branches and the HO automatically, facilitated systematic archival and faster retrieval of customer information. The platform also facilitated prudent customer selection as the system filtered creditworthy applications only. Wider footprint, streamlined processes and stronger service have helped our loan application processing faster. We plan that even as we grow bigger, we will grow faster and become stronger with adopting appropriate process and strategy.

We have strengthened our people commitment. We provide various trainings to our newly joined employees such as Induction Training, Refresher Training, Operation Management Training, Leadership Training, Communication Training both on site and off site. We have trainings on Code of Conduct and Client protection, Fair Practice Code for the benefit of our Zonal Heads, Cluster Heads and Internal Inspection officers. We have introduced a ' Best Branch Reward & Recognition' programme for branches for inclusion in the coveted " Chairman's Club membership". We have strengthened our technical and behavioral training calendar too and have started a grievance helpline for our employees to manage their queries/grievances etc apart from toll free helpline for customer grievance.

My special thanks to Ms Bani Saraswati, (fondly known as Didi) Secretary of Sreema Mahila Samity for her untiring encouragement in building Janakalyan by providing trained manpower, well built infrastructure, large customer base, training center etc as a major support at our growing stage.

Thanks to all stakeholders, employees, Board Members, partners like technology partner and other suppliers etc for their support and belief in us and hopeful that Janakalyan will be able to leverage the opportunities leading to profitable growth and enhanced value for its shareholder in coming years. On behalf of Janakalyan Team, I assure you that the Company will do better in the years to come and brand " Janakalyan " will make a strong differentiation in the MFI space.

Alok Biswas
Managing Director



www.janakalyan.net

Board of Directors



CO - FOUNDER & CHAIRMAN

MR. Sunanda Kumar Mitra is a Promoter & Whole time Director of the Company. He started his professional career with SBI in 1974 and has commercial banking experience of over 40 years. After completing a stint of 20 years in SBI, he Joined UTI Bank (Subsequently renamed Axis Bank) as DGM (Credit) in February 1995 and continued till super-annuation in 2013, the last assignment being President & Country Head - Distribution and Head Rural Banking and Financial Inclusion in 2015. Post retirement, he joined Bandhan Bank in 2015 as Business Head

Perceiving the future growth prospects in the micro finance sector and its scope for bringing about self-sufficiency among the underprivileged rural households, Mr. Mitra joined hands with Mr. Alok Biswas a former founding MD of a start-up MFI to set up Janakalyan.

Mr. Mitra is an alumnus of Delhi University from where he graduated in 1973 and is an Associate of the Indian Institute of Bankers, Mumbai. He has been trained at State Bank Staff College, Hyderabad, MDI, Gurgaon, INSEAD, Paris, IIM, Ahmedabad and NIBM, Pune.





INDEPENDENT DIRECTOR

Ms. Bani Saraswati, is a social entrepreneur and transformer with experience of over 42 years in sustainable development, micro finance programmes, women empowerment, educational support etc. to improve the quality of life in and around rural West Bengal, specially in Nadia District.



She is the principal architect and Secretary of SreemaMahila Samity (SMS), an NGO based in Duttapulia, established in 1972. SreemaMahila Samity (SMS), to fulfil its vision and mission, for the poor and marginalized while keeping focus on women and children. In pursuit of its mission, SMS has contributed significantly in the areas of income generation (**micro finance**) health, education, strengthening SHG, special support to women and children in distress, disaster risk reduction on the part of community and PRI, family counselling etc.

Ms. Saraswati is an Arts graduate (Honours), holds a Basic Training (B.T) in Education.

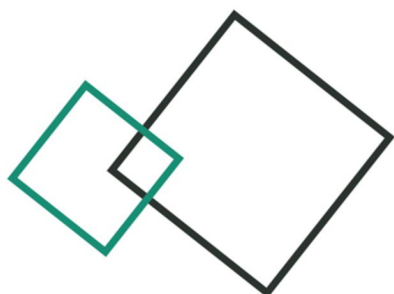


INDEPENDENT DIRECTOR

Mr. Biswamohan Mahapatra is a career central banker, spanning over 33 years in the Reserve Bank of India and retired as its Executive Director at the end of August 2014.

He is also an external senior advisor to Ernst and Young LLP on financial sector regulatory matters. He is currently an Independent director in Gruh Finance Limited, Edelweiss Financial Services Limited and HDFC Credila Financial Services Private Limited, ECL Finance Limited and Ujjivan Small Finance Bank.

Mr. Mahapatra is a Master of Science in Management and has done a Master in Business Administration and Master in Arts





ADDITIONAL DIRECTOR

Mr. Atanu Sen, a Post Graduate in Economics from Calcutta University, Mr. Atanu Sen joined the Board of the Company as an Additional Director for a period of 3 years with effect from 13/07/2018.



Mr. Sen served State Bank of India with distinction for a period of 37 years from where he retired in 2014 as MD & CEO of SBI Life Insurance. He had earlier served as the Bank's DMD and Chief Credit and Risk Officer and as Chief General Manager of Mumbai Circle. Shri Sen has wide-ranging experience in commercial banking and finance including Credit and Risk Management, Infrastructure financing, International Banking and Banking Operations and Administration. He is currently engaged as a Sr Advisor in Deloitte **ToucheTohmatsu LLP** and Independent Director in a few companies including Punjab & Sind Bank and as a Trustee of National Pension Scheme. Shri Sen has exposure in executive training in leading Institutes across the world such as Wharton University of Pennsylvania, Asian Institute of Management, Manila and BPP London.



CO-FOUNDER & MD

Mr. Alok Biswas, Managing Director & CEO of Janakalyan, an NBFC-MFI, is a strategic leader with experience of over 27 years in business management and operation management in the BFSI industry, especially in NBFC-MFI domain. He has been closely involved with sustainable development, micro entrepreneurship programmes, educational support etc. to improve the quality of life in rural India.

Started his career with Canara Bank (1989-1993) and worked in rural credit in remote villages of West Bengal, especially in developmental schemes apart from Corporate Credit. Joined Indian Bank as Probationary Officer in June 1993 and worked there till 2001, in various capacities across the country. Joined UTI Bank (subsequently renamed Axis Bank) in September, 2001 and worked there till June, 2010, the last assignment being as Vice President & Cluster Head- in charge of Odisha, Chattisgarh and Jharkhand.

Started Jagaran, an NBFC-MFI in December, 2010 as founder MD (2010-2016), leading it to become one of the market leaders in West Bengal, with Rs 175 Cr of loan portfolio, presence in six States in Eastern India with excellent repayment and profitability track record as also strong operational efficiency with 76 branches at the time of his resignation.

He is a Commerce graduate (Honours), holds a Post Graduate Diploma in Management (PGDM) from Xavier Institute of Management, Bhubaneswar and has qualified in the Associate examination of the Indian Institute of Bankers (CAIB). In addition, he has completed Diploma in Microfinance from IIBF, Mumbai.

MANAGEMENT TEAM



GM – OPERATIONS

Sukumar Biswas, heads the Operation department, having work experience in microfinance sector for more than 28 years (including 5 years in the area of credit plus management) with

BRAC, Bangladesh, BANDHAN Financial Services and JAGARAN Microfin Private Limited. Before joining Janakalyan, he was the Operation Head of JagaranMicrofin. He has adequate management experience to execute different programs in the areas of education, self-help group promotion, primary health care, disaster management, vocational training, water & sanitation, social welfare. He is an M. Com in Accounting.

GM-ADMIN, HR & COMPLIANCE

Utpal Kumar Bose, has 35 years of experience in Commercial Banking including last 3 years in microfinance. He has in depth domain knowledge in branch banking, Retail/ MSME lending and regulatory compliances as also industrial relations. He is Science graduate from Calcutta University.



HEAD – ACCOUNTS



Mr. Monoranjan Roy, was a Central Banker and former Assistant General Manager of Reserve Bank of India. Mr. Roy has worked with Reserve Bank of India for more than three decades and

has handled several roles in the areas of Banking Regulations & Supervision, Non-banking Regulation & Supervision, Currency Management, ICCOMS/Accounts, etc. He is a first class Masters in Commerce from University of Calcutta. He is a qualified Cost Accountant. He is also as Associate Member of Institute of Costs and Works Accounts of India i.e. AICWA. Now the same is renamed as ACMA. He is a Certified Associate of Indian Institute of Bankers (CAIIB) from Indian Institute of Banking and Finance and is a life member of the Institute.



HEAD OF INSPECTION

Mr. A.K. Mapa, holds post graduate degree in Agricultural Science from Kalyani University. Joined as an officer in United Bank of India and served there 30 years in different capacities at different offices from Branch to Head office. He was assigned

He was assigned mostly in priority sector lending branch banking. Sri Mapa also associated himself in social sector as an advisor to Sreema Mahila Samity and worked there 17 years to oversee the activities related to micro-finance, SHG formation, nature & capacity building and women Empowerment.

COMPANY SECRETARY



Anindita Chanda, an ACS, Associate Member of the Institute of Company Secretaries of India & also an M.Sc from the University of Burdwan having First Class in both BSc. (Hons.) and M.Sc. She has done her Company Secretary Management Training from DIC India Ltd, a listed MNC.



ZH - OPERATIONS

Paresh Chandra Singha, Paresh Chandra Singha has more than one decade of domain experience acquired during stints with Bandhan Financial Services Private Limited and Jagaran Microfin Private Limited, Kolkata. He has earlier worked as Regional Manager in Jagaran. He has successfully managed around 30 Branches across multiple States in India and has gained rich experience. He is an Honors graduate from Uttar Banga University, West Bengal.

in Jagaran. He has successfully managed around 30 Branches across multiple States in India and has gained rich experience. He is an Honors graduate from Uttar Banga University, West Bengal.



ZH - OPERATIONS

Debesh Gon, has 16 years of experience in microfinance acquired during stints with SreemaMahila Samity (NGO with microfinance activity) . He has completed Science Graduate and completed M.S.W. (Master of Social Works). He has wide knowledge in microfinance operation.

SR. MANAGER (INSPECTION)

Abhijit Sarkar, has more than one decade of experience acquired during stints with Sahara Uttarayan (Uttarayan Financial Services Private Limited) as Regional Manager and JagaranMicrofin Private Limited as Area Manager and Senior Inspection Officer. He is an Honours graduate from Kalyani University, West Bengal.



MANAGER FINANCE



Mohua Ghosh, has 15 years of experience in microfinance acquired during stints with SreemaMahila Samity (NGO with microfinance activity). She has in depth domain knowledge in microfinance. She has completed Art Graduate from Calcutta and has completed M.S.W. (Master of Social Works).



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Sunanda Kumar Mitra
Whole Time Chairman

Mr. Alok Biswas
Managing Director

Mr. Biswamohan Mahapatra
Independent Director

Ms. Bani Saraswati
Independent Director

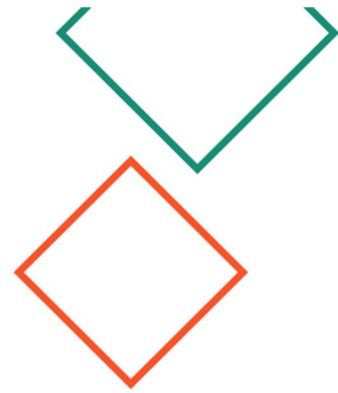
Mr. Atanu Sen
Additional Director (Independent)

COMPANY SECRETARY

Ms. Anindita Chanda

OTHER SENIOR MANAGEMENT

Mr. Sukumar Biswas (GM – Operations)
Mr. Amal Kumar Mapa (Head Inspections)
Mr. Utpal Kumar Bose (GM-Admin, HR & Compliance)
Mr. Monoranjan Roy (Head – Accounts)
Paresh Chandra Singha (ZH – Operations)
Debesh Gon (Zonal Head-Operation)
Abhijit Sarkar (Sr.Manager(Inspection)
Mohua Ghosh (Manager Finance)
Suhas Das (Head-BC Business)



Registered Office:

183/A, Sahid Hemanta Kumar Bose Sarani, Kolkata-700074

Head Office:

CD-193, 1st Floor, Sector-1, Salt Lake City, Kolkata-700064

CIN

U74999WB2016PTC216823

AUDITORS

SRB & Associates

Chartered Accountants
Firm Registration No.310009E
A-3/7, Gillanders House
8, N.S Road, Kolkata-700001

Our Investors & Lenders



The Power of Distribution



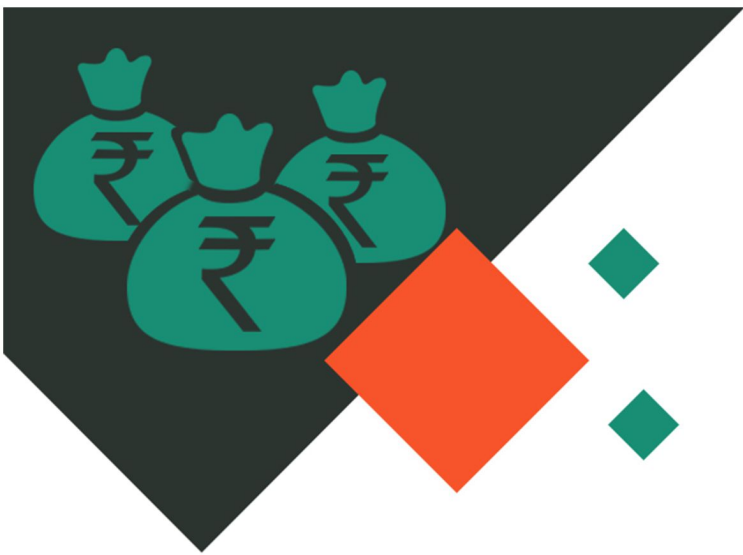
Industry Associations



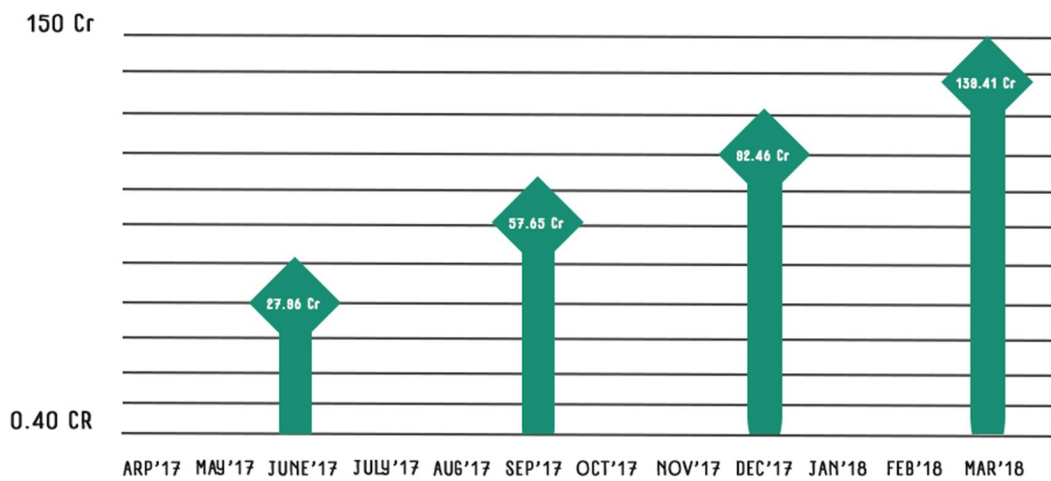
Association of Microfinance Institutions
West Bengal

Technology Partner

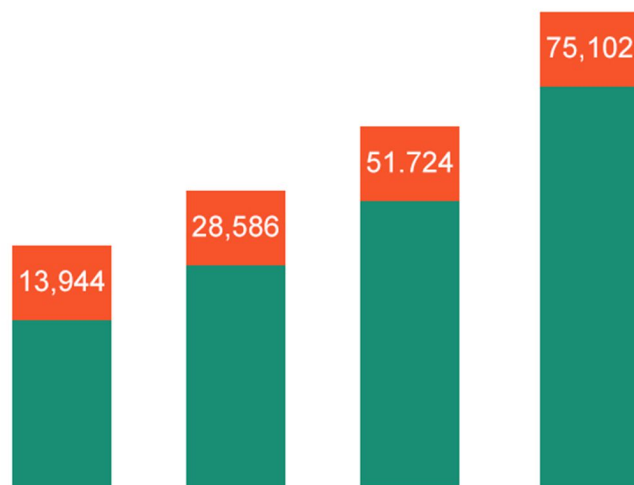
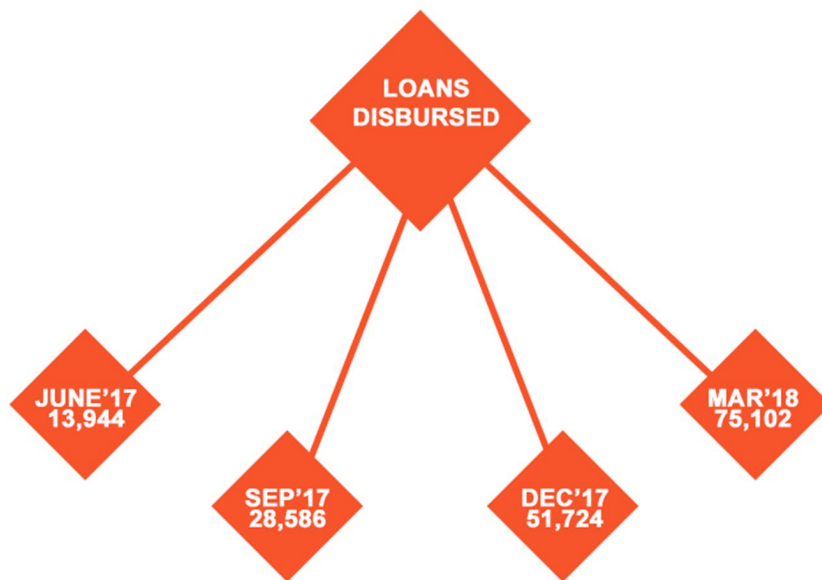


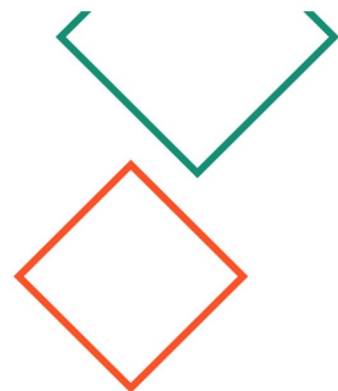


CUMULATIVE DISBURSEMENT OF LOANS FOR F.Y 2017-18

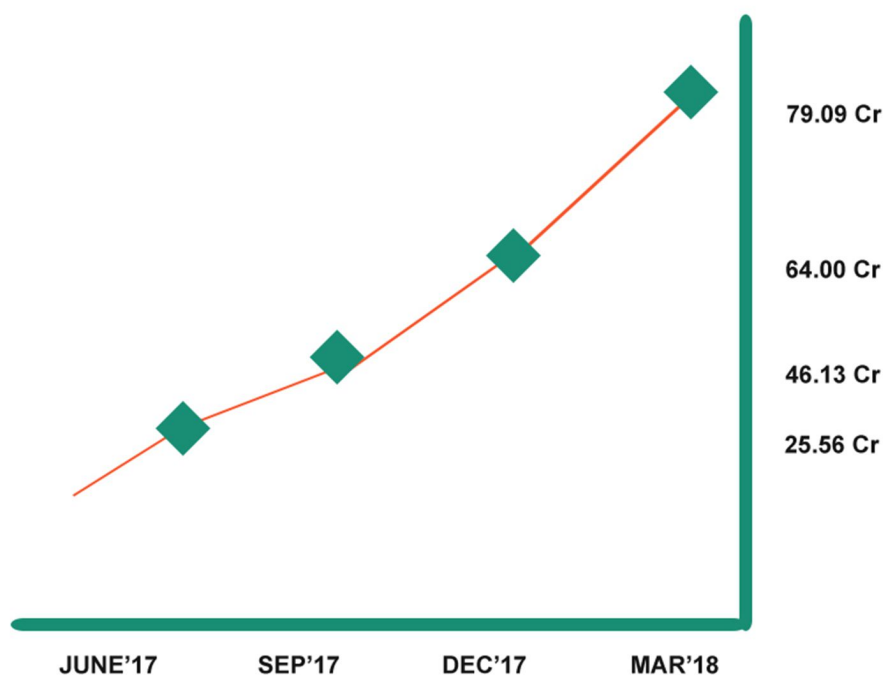


NO. OF CUMULATIVE LOANS DISBURSED FOR F.Y 2017-18





PORTFOLIO GROWTH



JUNE'17
25,55,90,464

SEP'17
46,12,72,113

DEC'17
64,00,41,406

MAR'18
79,09,24,273



DIRECTOR'S REPORT TO SHAREHOLDERS

To
The Shareholders,
Janakalyan Consultancy & Services Private Ltd

Your Directors have pleasure in presenting the Second Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2018.

BACKGROUND

As you are aware, the company is engaged in microfinancing activities with a long term vision for economic upliftment of underprivileged families through financial inclusion by providing micro credit to women in low income groups mostly in rural areas through income generating activities. The Company was incorporated on 27th July 2016 and eventually received the NBFC-MFI registration on 2nd March, 2017 from Reserve Bank of India. The particulars furnished in the financial statements pertain to the period from 01st April, 2017 to 31st March, 2018 .

FINANCIAL RESULTS

	(Amount / Rupees) 31st March, 2018	(Amount / Rupees) 31st March, 2017
PARTICULARS		
Revenue from Operation	11,21,68,604	47,427
Other Income	45,10,354	11,07,093
Total Revenue	11,66,78,958	11,54,520
Expenses		
Employee Benefits Expenses	3,28,23,822	13,58,751
Depreciation	6,23,100	1,64,832
Finance Cost	6,21,15,978	46,575
Other Expenses	1,10,62,111	17,34,767
Provisions and Write-Off	70,11,478	45,050
Total Expenses	11,36,36,489	33,49,975
Profit/Loss before Exceptional and Extraordinary Items and Tax	30,42,469	(21,95,455)
Add: Exceptional Items		
Profit before Tax	30,42,469	(21,95,455)
Tax Expenses		
Current Tax	6,08,494	
Deferred Tax(Asset)/Liability	62,000	68,000
Total Tax Expenses	6,70,494	68,000
Profit for the Year	23,71,975	(22,63,455)



SUMMARY OF OPERATIONS AND INDUSTRY SCENARIO

Your Company is engaged in providing loans to lower income groups of women. The company has adopted Joint Liability Group (**JLG**) model, primarily with women as Members / Borrowers.

During the year under review, the net revenue from operations of your Company was Rs. **11,21,68,604**. For FY 2017-18, your Company's Profit After Tax stood at Rs **23,71,975**

35 branches have been made fully operational in West Bengal, Bihar and Odisha respectively during the year under review covering a total number of 10 Districts in these three States.

The microfinance industry as of 31 March 2018, has a total loan portfolio (i.e. loan amount outstanding) of Rs **1,36,633** Cr. This represents a growth of 27% over FY 16-17. As of 31 March 2018, Banks hold the largest share of portfolio in micro-credit with total loan outstanding of Rs **50,418** Cr. This includes both direct lending as well as indirect lending through BC partnerships. Banks thus account for almost 38% of total micro-credit universe. **NBFC-MFIs** as a group remain the second largest provider of micro-credit with a loan amount outstanding of Rs **44,892** Cr (excluding BC portfolio channeled through NBFC-MFIs), accounting for 28% to total industry portfolio (i.e. loan amount outstanding). SFBs have a total loan amount outstanding of Rs **30,019** Cr with a share of 27%. **NBFCs** account for another 6% and Non-profit MFIs account for 1% of the universe. It may be noted that huge opportunities exist in microfinance domain since all MFIs, Banks, SFBs, NBFCs together have barely been able to achieve 20% of the total market so far leaving a demand supply gap of around 80% which augurs well for the future growth of the microfinance sector.

TRANSFER TO RESERVES

Company has transferred Rs. **4,74,395** to the Statutory Reserve as per Section 45-IC of Reserve Bank of India Act. 1934.

DIVIDEND

Your Directors have not declared any dividend for this year and opted for conservation of profit in order to strengthen the reserves and contribute further to the growth of the Company's topline. and profitability in the future.



RBI's REGULATION FOR THE MFI SECTOR

RBI carved out a separate category of NBFC-MFI exclusively for Micro Finance Institutions in 2012 and conducts periodic review of the same in respect of pricing and other issues.

The Central Bank have specified maximum limit of margins and interest rates which can be charged by microfinance institutions (MFIs). It has also put in place a fair practice code and has stipulated acceptable and reasonable methods of recovery of loans by MFIs through various Circulars from time to time.

On June 16, 2014 RBI recognized MFIN (Microfinance Institutions Network) as a Self Regulatory Organization (SRO) for NBFC-MFIs in line with similar Institutions such as IRDA, SEBI, and AMFI which can be construed as a positive and encouraging approach towards microfinance sector.

Your company is committed to a fair pricing code. Its lending rate has been linked to the estimated long-term operating cost target rather than current cost. Since inception Janakalyan charges 25.00% (IRR), inspite of the Cost of Fund being higher (as normal in the case of new Companies), Processing fees of 1% and Insurance Premium at actuals.

As a policy, Janakalyan extends loans only to persons who are engaged in gainful economic activities thereby ensuring that the money is used for productive purpose. Most of the loan are provided for Income Generating Activities barring a few schemes for education and acquisition of solar devices which have been recently introduced, exposure to which stood at a nominal Rs 1.67 lacs as on 31/03/2018.

Janakalyan captures the Household income and expense details during group formation stage which are subjected to due verification through cross checking to ensure that no loan is permitted in cases where annual income level is over Rs.1,00,000 in rural areas and Rs. 1,60,000 in urban areas as stipulated by the regulators.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the current status and Company's operations in future

There have been no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the present status and the Company's future operations.

The Company has, inter alia, formed a separate Audit Committee with additional responsibility of Risk Management chaired by an Independent Director to ensure the desired level of Corporate Governance in the Company.



DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company does not have any subsidiary/joint venture/associate company during the period under review.

DEPOSITES

The company has not received or accepted any deposit and has strictly maintained its non-acceptance of public Deposit NBFC status. The financials do not contain any figures that come under the classification of deposits as specified under Chapter V of Companies Act, 2013.

OUR CUSTOMERS

All our customers are women belonging to the under privileged sections of mostly rural but also including a small percentage of semi urban and urban population striving to improve their standard of living and economic status.

DIRECT BENEFICIARIES

Your Company provides small loans to only women as direct beneficiaries who are engaged in income generating activities having necessary repayment capacity . The income generated out of the business activities directly contributes to their family income.

INDIRECT BENEFICIARIES

Indirect beneficiaries are entities such as the raw material suppliers, other traders, logistic suppliers and family members of the borrowers and other members of the community.

OUR PRODUCTS

PRODUCT NAME	AMOUNT (INR)	TERMS OF CREDIT
Kalyan Loan (Income generating loan)	INR 10000 – INR 30,000	The loan is repayable in 26 fortnightly/12 monthly installment depending on loan amount, carries interest rate 24.63 % (IRR) with 1% processing fees (as per RBI guidelines), Insurance Fee is actual .
Sushiksha Education Loan	INR 10000-20000	The loan is repayable in 26 fortnightly/12 monthly installment depending on loan amount, carries interest rate 24.63 % (IRR) with 1% processing fees (as per RBI guidelines), Insurance Fee is actual .
Sushakti – Energy Loan to purchase solar products	INR 2400-5500	The loan is repayable in 26 fortnightly/12 monthly installment depending on loan amount, carries interest rate 24.63 % (IRR) with 1% processing fees (as per RBI guidelines), Insurance Fee is actual .



RBI GUIDELINES

Your Company complies with all applicable regulations of the Reserve Bank of India. Consistent with **NBFC-MFIs** guidelines, the Directors hereby confirm that the Company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

Your company is registered as an approved **NBFC-MFI** with Reserve Bank of India, Kolkata effective from 2nd March, 2017.

Your Company is also a member of **Microfinance Institutions Network (MFIN)**, an approved

CAPITAL ADEQUACY

Your Company's capital adequacy ratio was 19.99% as on March 31, 2018. **The Net Owned Funds (NOF)** as on that date was Rs 11.37 crores as against the minimum capital adequacy requirement stipulated for the company by RBI of 15 % of its aggregate risk weighted assets.

PROSPECTS

Today, with over 45 million end clients with a loan outstanding of over Rs 1 lakh crore across the private JLG (**Joint Liability Group**) and the public SHG (**Self Help Group**) programmes, employing over 120,000 people across 10000 branches in 28 States of India, it is a key force for financial inclusion in the country. However, this level of coverage is still lower than 25% of the demand across India and indicates the future potential for growth to nearly Rs.5 lakh Crores. However, there are challenges of infrastructural constraints to reach out to the remote untapped regions which need to be overcome in the interest of balanced geographical spread across the country and avoiding excessive concentration in easily accessible locations.

Your Company will continue to strive to reach out its operations to more and more underserved clients at remote centres and to help them access credit on reasonable terms. It also plans to expand through increased network in low income States such as **Bihar, Odisha, Jharkhand, Chhattisgarh, Assam and Tripura** etc in future.

CAPITAL STATUS

Your company mobilised Rs. **122990900** of capital funds till the period ended March 31, 2018. The fund has since been capitalised by way of 100% equity infusion.



CORPORATE GOVERNANCE

In order to ensure sound corporate governance, your company follows the best industry practices in all of its dealings covering employees, customers, Regulatory Authorities, Banks and Financial Institutions. Through inclusion of Director Responsibility Statement in the Directors Report, the Board reaffirms that proper systems are in place to ensure compliance of all related laws and regulations.

The company has set up various Committees of the Board for effective oversight and guidance. It is the endeavour of the company to maintain the highest standards of governance. The company has appointed reputed auditors in this sector, [M/s SRB & Associates as Statutory Auditors](#). The company ensures due implementation of the suggestions of the auditors.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is Annexed in Annexure 1.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Alok Biswas serves as Managing Director and Mr Sunanda Kumar Mitra as Whole Time Director and Chairman since 1st April,2017. Mr. Biswamohan Mahapatra and Ms.Bani Saraswati were appointed as Independent Directors w.e.f 9th September,2017 and Ms.Anindita Chanda was appointed as Company Secretary w.e.f 9th September,2017.



MEETING OF BOARD OF DIRECTORS

The Board of your Company held 16 Meetings during the year under review, details of which are given below:

DATE OF THE MEETING

- ◆ April 04, 2017
- ◆ April 29, 2017
- ◆ May 29, 2017
- ◆ June 06, 2017
- ◆ July 01, 2017
- ◆ July 12, 2017
- ◆ August 12, 2017
- ◆ September 9, 2017
- ◆ October 7, 2017
- ◆ October 18, 2017
- ◆ November 17, 2017
- ◆ January 13, 2018
- ◆ February 7, 2018
- ◆ February 26, 2018
- ◆ March 27, 2018
- ◆ March 31, 2018

DETAILS OF COMMITTEES OF BOARD OF DIRECTORS

The details of composition of the Committees of the Board of Directors are as under:-

A. AUDIT COMMITTEE

SL NO.	NAME	CHAIRMAN/MEMBERS
1	Mr Biswamohan Mahapatra	Chairman
2	Ms Bani Saraswati	Member
3	Mr Sunanda Kumar Mitra	Member

The Committee was constituted on July 01,2017 and during the year the Committee had met twice on September 09, 2017 and January 13, 2018 respectively.

B. NOMINATION & REMUNERATION COMMITTEE

SL NO.	NAME	CHAIRMAN/MEMBERS
1	Mr Sunanda Kumar Mitra	Chairman
2	Ms Bani Saraswati	Member
3	Mr Biswamohan Mahapatra	Member

The Committee was constituted on July 01,2017 and no meeting was held during the year under reporting.

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

SL NO.	NAME	CHAIRMAN/MEMBERS
1	Ms Bani Saraswati	Chairperson
2	Mr Sunanda Kumar Mitra	Member
3	Mr Biswamohan Mahapatra	Member

The Committee was constituted on July 01,2017 and no meeting held during the year under reporting.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT UNDER SECTION 186

Your company is classified as NBFC-MFI and the principal business of your company is to provide micro loans. Hence Section 186 is not applicable to your company.



PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company has not entered into any contracts/ arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 including certain arms length transactions. Hence disclosure in Form AOC - 2, pursuant to section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

STATUTORY AUDITORS

M/s. SRB & Associates, Chartered Accountants have been appointed as Statutory Auditors of the Company to hold office from the conclusion of this AGM (FY 2017-18) till the conclusion of the AGM for FY 2021-22. Ratification of re-appointment of Statutory Auditors is being sought from the members of the Company at this AGM.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

INFORMATION AS PER SECTION 134 (3) (m) OF THE COMPANIES Act, 2013.

The company has no activity relating to consumption of energy or technology absorption. The company does not have any foreign currency earnings.

HUMAN RESOURCES

Your Company treats its "human resources" with dignity, respect and fairness and consider it as a most valuable asset and as instrumental to the company's growth. Your Company continuously invests in attracting, retaining and developing of talent on an on-going basis. Your Company pursues promotion of talent internally through job rotation and job enlargement, training and mentoring. The company has a very comprehensive HR Policy which ensures transparency and fairness at all levels.

INFORMATION TECHNOLOGY

Your Company extensively uses Information Technology in its operations to monitor and control different activities. Activities such as loan processing, Accounts, HR and MIS etc are technologically driven and obtained from third party providers, M/s Force Ten Technologies Private Limited, Kolkata.



DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

DECLARATION BY INDEPENDENT DIRECTOR(S) AND APPOINTMENT, IF ANY

A declaration from our Independent Director(s) **Mr. Biswamohan Mahapatra** and **Ms. Bani Saraswati** to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been obtained and placed before the Board.

Mr. Biswamohan Mahapatra and **Ms. Bani Saraswati** were appointed in the previous Annual General Meeting as Independent Directors for a term of 3 years.

CORPORATE SOCIAL RESPONSIBILITY

Your Company does not fall within the ambit of Section 135(1) of the Companies Act, 2013 related to Corporate Social Responsibility during the Financial Year 2017-18 and hence has not incurred any expenditure under this head.

MATERIAL CHANGES & COMMITMENTS, IF ANY EFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS

There are no such material changes subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of this report like settlement of tax liabilities, major loan pre-closure, change in market or regulatory conditions, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets, change in the business, assets, condition (financial or otherwise) or results of operations of the Company taken as a whole which is likely to have an impact on the business of the Company.



PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a safe and conducive work environment to its employees as well as its member borrowers.

Your Directors further state that during the year under review, there were no cases filed pursuant to the **Sexual Harassment** of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNAL

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

ISSUE AND ALLOTMENT OF SWEAT EQUITY TO MR.SUNANDA KUMAR MITRA, CHAIRMAN-WHOLE TIME DIRECTOR OF THE COMPANY

5,00,000 Equity Shares which rank paripassu with the existing equity shares of the Company of **Rs.10/-** each for cash consideration at face value were issued and allotted to Mr Sunanda Kumar Mitra, Whole Time Director pursuant to the provision of Section 54 of Companies Act, 2013, Rule 8 of Companies (**Share Capital & Debentures**) Rules, 2014.

Total consideration received by the Company for the above was is **Rs.50,00,000**

The percentage of the sweat equity shares of the total post issued and paid up share capital was **4.07%** and diluted EPS was **0.28**



DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) in the preparation of the annual accounts for the year ended on March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2018 and of the profit of the Company for the year ended on that date.
- c) the Directors have taken proper and sufficient care for the 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 fraud and
- d) The annual accounts have been prepared on a 'going concern' basis.
- e) the Directors have laid down necessary internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, and
- f) the Directors have devised proper mechanism to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



ACKNOWLEDGEMENT:

Your Directors wish to thank the customers, bankers, shareholders and other service agencies for their continuous support. The Directors also profusely thank the employees for their valuable contributions to the Company's operations and growth during the period under reporting.

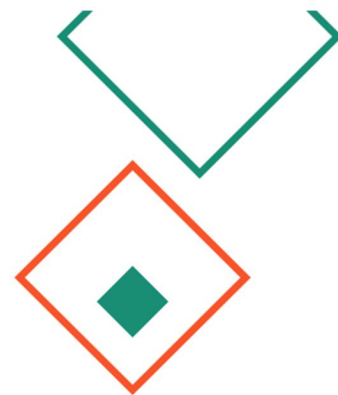
The Report of the Board of Directors is in accordance with the compliances with the applicable Secretarial Standards considering that the Company is a Private Limited Company and there are many non-mandatory requirements.

For and on behalf of the Board of Directors

Sunanda Kumar Mitra
(Wholetime Director)
DIN-03521074

Alok Biswas
(Managing Director)
DIN-03141650

Place : Kolkata,
Date : 25.08.2018



MANAGEMENT DISCUSSION AND ANALYSIS

1. INTRODUCTION

In its first year of micro lending operations, Janakalyan has disbursed Rs.139.40 Crores micro-credit to 75102 members spread over 9 Districts, 49 blocks and 2016 villages of West Bengal, Bihar and Odisha. This remarkable growth has been driven by the large demand-supply gap in the market for micro-credit and Janakalyan's rapidly scalable business model. The year has been fairly turbulent for the entire sector marked by adverse developments in the economic environment such as impact of demonitisation and rising NPAs in a few States. These problems have parallelly injected some opportunities into the sector as well in the longer term with improved inflow of foreign equity and record portfolio growth in the MFI domain. Overall economic scenario has thus been robust and buoyant for the microfinance sector.

2. INDUSTRY OVERVIEW

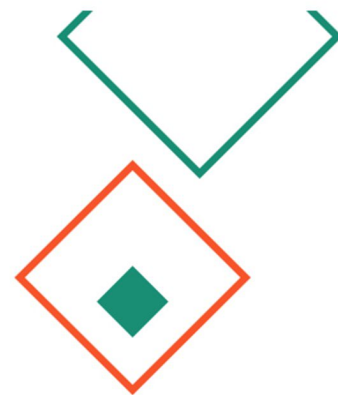
2.1 After the temporary set-back during FY 2016-17 due to demonetization, the sector recovered significantly during 2017-18 and bounced back to the growth path. During the year under review, the sector performed well in all respects which is reflected in the credit rating upgrades of many large MFIs and larger credit flow to the sector from Bank/FIs.

2.2 The RBI regulations and the MFI industry self-regulation have significantly de-risked this sector. RBI's direction and MFII guidelines to the effect that there shall not be more than two loans to a single borrower have played well for the industry. This has helped significantly in addressing the concern of over lending to the same customers creating stress at the client level and a bubble at the sector level. However while multiple lending from MFIs is prevented by this measure, this does not preclude debt being incurred from other sources by the borrowers. If RBI mandates that loans from all sources be captured by credit bureaus, propensity of over-lending and over-borrowing would be reduced further.

2.3 The Non-Banking Financial Company-Micro Finance Institutions (Reserve Bank) Directions, 2011 (NBFC-MFI directives) were issued in December 2011 by the Reserve Bank of India (RBI) pursuant to the Reserve Bank of India Act, 1934 (RBI Act). The NBFC-MFI Directions apply to all non-deposit taking Non-Banking Financial Companies (NBFCs) (other than companies registered under Section 25 of the Companies Act, 1956) that satisfy certain conditions.

Your Company satisfies all the guidelines of RBI, issued from time to time and was issued the license as non-deposit taking NBFC Microfinance Institution (NBFC-MFI) on March 02, 2017.

2.4 On February 07, 2014, the RBI had decided that interest rates charged by an NBFC- MFI from its borrowers shall be lower of the cost of funds plus a margin of 10% for large MFIs with loan portfolios exceeding Rs. 100 crore and the average base rate of the five largest commercial banks by assets multiplied by 2.75. The average of the base rates of the five largest commercial banks is advised by the RBI on the last working day of the previous quarter, which will determine interest rates for the succeeding quarter. NBFC-MFIs are required to comply with these changes in interest rates. This has necessitated MFIs to improve their efficiencies to stay profitable. Your Company has put in place necessary efficiency and productivity related measures to ensure compliance with the margin and interest cap without affecting its bottom-line.



2.5 The new Priority Sector lending guidelines to banks (RBI/FIDD/2016-17/33 Master Direction FIDD. O. Plan. 1/04.09.01 / 2016-17 July 7, 2016 ,Updated as on August 01, 2018) recognize the role played by MFIs in reaching out to the un-banked segments of the society by extending priority sector classification to banks' lending to MFIs.

2.6 The above development has paved the way for increased flow of bank credit to the sector.

3. BUSINESS GROWTH THROUGH ASSIMILATION OF MICROFINANCE PORTFOLIO OF SREEMA MAHILA SAMITY (SMS) IN 2017-2018:

Janakalyan has considered adoption of inorganic growth through acquisition as one of its strategies for future business expansion and tied up with Sreema Mahila Samity in this regard.

Sreema Mahila Samity (SMS), an NGO-MFI is registered with West Bengal Societies Registration Act, 1961 (Registration No. S/12241) since 26th October 1972, with its registered office at Duttapulia, District: Nadia, West Bengal. It started microfinance operation in 1980, and established its credentials in micro-finance, Community Based Developmental Programmes (CBDP) and health and general welfare activities in improving the quality of life of the community in rural Bengal. Subsequently Sreema started full fledged micro lending model in the year 2000 and achieved commendable success in creating a better socio-economic environment for the community. Sreema Mahila Samity (SMS) had evinced interest for off-loading their microfinance lending portfolio to fully focus on their social welfare activities and therefore decided to discontinue any further expansion of Microfinance business SMS reached out to Janakalyan for gradual absorption of their microfinance assets.

Janakalyan essentially focused on microfinance lending to build a large clients' base with full statutory compliances. Using state of the art technology platform, your company is committed to work on a mission mode to improve the standards of living of millions of Indians engaged in micro, small and medium enterprises across the country through a wide range of financial services and thus suited the value propositions to tie-up with Sreema Mahila Samity. Thus the offer from Sreema Mahila Samity to absorb the microlending portfolio being shed by them in a phased manner was considered acceptable as a growth opportunity.

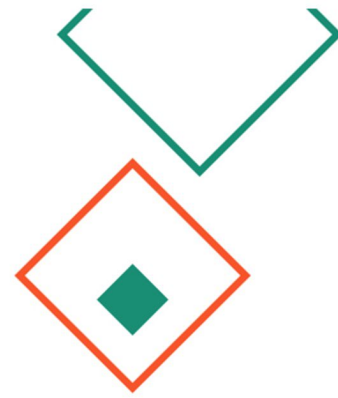
4. OPERATING BUSINESS MODEL

4.1 With positive improvement in the business environment, Janakalyan started growing its loan portfolio in West Bengal and expanded to the neighbouring States of Bihar and Odisha as well to contain any geographical concentration risk. Your company had 35 branches as on 31st March, 2018 including 4 in Bihar and 1 in Odisha, rest being in West Bengal.

4.2 JANAKALYAN disbursed an aggregate sum of Rs.139.40 Crores during the year under review resulting in the assets under management (AUM) going up to Rs.79.09 Crores as on March 31, 2018 in its first year of operations.

4.3 JANAKALYAN identified and launched a number of initiatives to improve employee and per branch productivity through a business process review after assimilation of microfinance assets of Sreema Mahila Samity. These initiatives have helped to optimize the cost of operations subsequently.

4.4 The company has adopted Joint liability model with suitable improvisation such as maximum 10 to 30 members per group . The company has ensured adequate controls to maintain its process adherence and portfolio quality which are well within acceptable levels.



4.5 Company is planning to set up a Central Processing Unit for complete back office jobs such as processing of loan applications, Credit Bureau Check, sanctioning, fund management, disbursement, Loan Application Format Audit, Call Centre model etc which ultimately will help the branches to focus on their core tasks, i.e. customer engagement, customer alignment and disbursements/collections etc.

5. FINANCIAL RESULTS

In its full first year of operations (in micro lending activities), the company has extended micro credit to 75349 clients and has disbursed an aggregate amount of Rs.139.40 crores during the year with a loan outstanding of Rs.79.09 crores as on 31st March 2018.

The Company recorded a net profit after tax of Rs. 23.80 lacs for the year ending 31st March 2018 with a net worth Rs.12.29 Crores. The company complies with the interest cap prescribed by the RBI and the margin was also well within the limits stipulated by RBI.

6. INFORMATION TECHNOLOGY

We believe that in the current competitive scenario, leveraging of technology is critical for our success and needs to be deployed appropriately for generating MIS for management, monitoring business growth, providing effective controls, enhancing employee productivity, lowering transaction costs and driving overall improvement in efficiencies in the system. JANAKALYAN operates on a centralized transaction processing model supported by the Web based system. During the year under review the focus on technology continued with further enhancement in automation of transactions at branch /Head Office level to improve efficiency and control. The various process improvements have enabled JANAKALYAN to establish and maintain an efficient business model and expect it to play a crucial role in maintaining tight control over costs. JANAKALYAN has also implemented additional modules for Inspection, Human Resource (HR), and Administration etc during the year for better control. JANAKALYAN also plans to use mobile/tablet platform for its branch operations like sourcing of applications, Credit Bureau Check, Mobile Check, Collection process, CGT, GRT etc online through process re-engineering.

7. SOCIAL WELFARE INITIATIVES

Janakalyan has continued to demonstrate its commitment to social welfare initiatives. Janakalyan has successfully conducted two medical camps for Oral & Breast cancer and Eye Camp with the tie-up from R N Tagore Hospital and Susrut Eye Hospital. We shall continue our social welfare initiative in the years ahead.

8. CAPITAL ADEQUACY

As at the end of year, the Capital to Risk Adjusted Assets (CRAR) was at a healthy 19.99% against the regulatory requirement of 15%. The Capital Adequacy Ratio considers both on book and off-book exposures as per the new regulatory requirements.

9. RESOURCES AND TREASURY

9.1 Janakalyan has undergone grading exercise for the first time and was assigned (M f i 3) by CARE Ratings, BLR Rating at BB- by CARE Ratings and BB by SMERA Ratings. Janakalyan has also done the COCA exercise and graded as M3C3 by SMERA Ratings in its first year of operations. The respective gradings are expected to improve with improvement in our leverage and expansion in operations.



9.2 The funding for the business is from an optimal mix of equity and debt. JANAKALYAN continues to follow the policy of diversification of funding sources. The Company has built relationships with about 9 lenders across banks, financial institutions/ NBFCs, who have sanctioned aggregate limits of Rs. 100.00 Crores during the year.

10. HUMAN RESOURCES

The Company has provided a wide range of benefits to its employees including health insurance for all employees and their parents and dependents. The number of employees during the year under review. Your company shall continue its employee-centric initiatives in recognition of the importance of human capital in its future growth.

11. RISK MANAGEMENT

11.1 The Company has a Board approved Risk Management Policy and the Board and Risk Management Committee periodically reviews the risks faced by the Company and the systems and procedures in place to manage the same.

11.2 Price uncertainty is a major risk faced by your company as well as other players in the microfinance sector. This risk was reduced during the last two years following the RBI's regulations for NBFC-MFIs. The Company believes that all micro lenders including Banks, SFBs, NBFC, NBFC-MFIs should come under regulatory supervision and thereby ensuring a level playing field.

11.3 11.3 As an NBFC-MFI, the Company is exposed to credit, liquidity, interest rate and operating risks. The Company has invested in people, process governance and technology to effectively mitigate these risks.

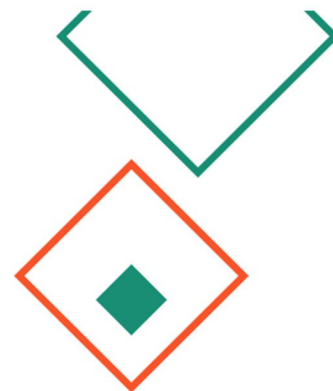
12. CREDIT RISK

Your company considers all other borrowings of clients, need for funds for productive purposes and repayment capability before sanctioning any loans which are further backed by group guarantees.

In addition, with the full rollout of credit bureau initiative, over-borrowing has been effectively curtailed. Towards this purpose, JANAKALYAN has been an active participant at industry level initiatives, as part of MFIN (Micro Finance Institutions Network). Your company has adopted the MFIN Code of Conduct promoting responsible lending by MFIs. The Company also follows a conservative provisioning policy which is more stringent than RBI norms applicable to MFIs.

13. OPERATIONAL RISK

13.1 Risk due to inadequate or failed internal processes, people or systems could cause loss to JANAKALYAN. Micro finance, given its small ticket size is transaction-intensive. These transactions are handled by large number of employees spread over 35 branches in 9 districts in 3 States. Further disbursements are being done directly in bank accounts through NEFT and collections from members are done by way of cash, increasing the operational risk. Under the circumstances it becomes critical to have sound risk management practices in place.



13.2 JANAKALYAN has put in multi-layered checks and controls over key client interface processes. The Company also constantly upgrades its control system based on analysis of failed processes which is reflected in almost negligible instances of breach of control. The control parameters of the Company are generally held as benchmarks in the MFI sector globally. During the year JANAKALYAN commenced disbursements by electronic funds transfer through NEFT mode to customers by encouraging customers to open bank accounts.

13.3 In order to improve the resilience of the Company's operational framework, back office functions are proposed to be centralized. The operation process is monitored on a continuous basis by the Senior Management Committee.

14. MARKET RISK

- **Liquidity Risk:** Given the sensitive nature of the sector, banks' funding is closely linked to the overall image of the sector as well as the regulatory environment. Any change in these factors can adversely impact the overall liquidity position of the Company. Also, excess liquidity leads to negative carry on the surplus cash as the yield on short term investment is always lower than borrowing cost.

- **ALM Risk:** The Company ensures matched funding without any adverse mismatch in structural liquidity. The interest rate sensitivity is higher due to mix of bank borrowings and NBFC borrowings and the rate of interest with other finance costs vary widely. The Company endeavors to use the average interest rates and also apply dynamic interest rates.

- **Leverage:** The Company adopts a conservative policy related to leveraging capital. On these lines, the company considers expanding the quantum of managed assets for maintaining sufficient capital adequacy.

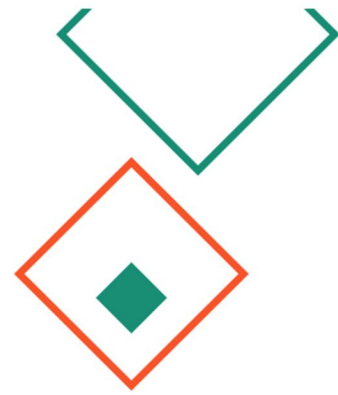
15. OUTLOOK AND CHALLENGES

On the growth-side, with underlying unmet demand for microcredit, long-term prospects look good. However, the Company will need to address geographic concentration risks and limiting over-borrowing by its members. It is to be noted RBI keeps nudging microfinance companies to focus on improving efficiencies for delivering returns by capping the margins. The Company, right from inception, has its own internal pricing policy with a cap on lending rates which is very much in line with regulatory prescriptions. The Company has always focused on efficiency and productivity to generate sustainable returns to shareholders rather than seeking higher interest from its borrowers. In view of this, we believe that the company would be able to generate sustainable returns to the shareholders. With prudent regulations in place and with the co-operation of all stakeholders, the Company is optimistic about growth prospects in the long-term.

16. FINANCIAL RESULTS

The following are the principal revenue streams:

- (1) Interest Income on the Loans disbursed.
- (2) Processing Fee.
- (3) Insurance Premium at actuals.



Staff cost and infrastructure costs are the major cost components. The Company's staffing and infrastructure including Information Technology is designed for supporting rapid scaling up. With prudent, transparent lending activities and social initiatives we expect to build its operations to generate stable returns over time.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectation may be 'forward looking' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

For and on behalf of the Board of Directors

Alok Biswas
Managing Director

Sunanda Kumar Mitra
Chairman

Kolkata, September 19, 2018





REPORT ON CORPORATE GOVERNANCE

Mission of Janakalyan is to improve the standards of living of millions of Indians engaged in micro, small and medium enterprises across the country through a wide range of financial services, in a sustainable and transparent manner based on mutual respect and understanding.

BOARD OF DIRECTORS

COMPOSITION OF BOARD

As on 31st March, 2018, Board comprised of 4 Directors out of which 2 are Independent Directors. The names and categories of categories of Directors and the nature of Directorships as on March 31st 2018 are given below:

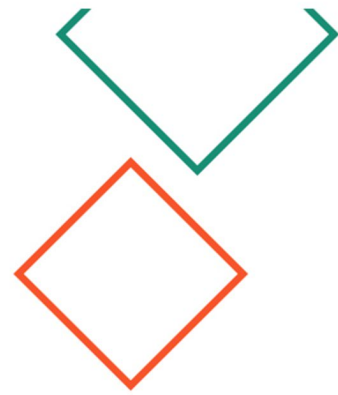
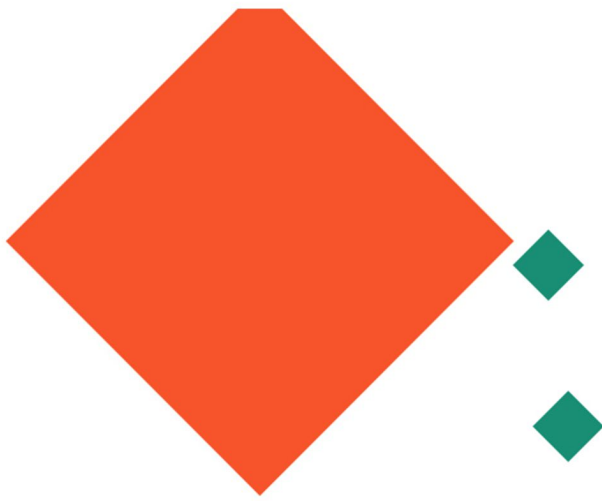
Name of the Director	Nature of Directorship	DIN
Sunanda Kumar Mitra	Whole Time Director	03521074
Alok Biswas	Managing Director	03141650
Biswamohan Mahapatra	Independent Director	06990345
Bani Saraswati	Independent Director	03024536

BOARD OF MEETINGS & ATTENDANCE

The Board of Directors met 16 Meetings during the year under review, details of which are given below:

DATE OF MEETING

April 04, 2017	April 29, 2017	May 29, 2017	June 06, 2017	July 01, 2017	July 12, 2017
August 12, 2017	September 9, 2017	October 7, 2017	October 18, 2017	November 17, 2017	
January 13, 2018	February 7, 2018	February 26, 2018	March 27, 2018	March 31, 2018	



Attendance of Directors at Board Meeting for the FY 2017-18

Mission of Janakalyan is to improve the standards of living of millions of Indians engaged in micro, small and medium enterprises across the country through a wide range of financial services, in a sustainable and transparent manner based on mutual respect and understanding.

Name of the Director	No. of Meetings Attended
Sunanda Kumar Mitra	16/16
Alok Biswas	16/16
Biswamohan Mahapatra	4/12
Bani Saraswati	9/12

COMMITTEES OF THE BOARD

The details of composition of the Committees of the Board of Directors are as under:-

a) Audit Committee

SL NO	NAME	CHAIRMAN/MEMBERS
1	Mr. Biswamohan Mahapatra	Chairman
2	Ms. Bani Saraswati	Member
3	Mr Sunanda Kumar Mitra	Member

The Committee was constituted on July 01,2017 and during the year the Committee had met twice on September 09, 2017 and January 13, 2018 respectively.



**Attendance of Directors at Audit Committee Meeting
for the FY 2017-18**

Name of the Director	No. of Meetings Attended
Sunanda Kumar Mitra	2/2
Biswamohan Mahapatra	2/2
Bani Saraswati	0/2

b) Nomination & Remuneration Committee

Sl No.	Name	Chairman/Member
1	Mr. Sunanda Kumar Mitra	Chairman
2	Ms. Bani Saraswati	Member
3	Mr. Biswamohan Mahapatra	Member

The Committee was constituted on July 01,2017 and no meeting was held during the year under reporting.

b) Corporate Social Responsibility Committee

Sl No.	Name	Chairman/Member
1	Ms Bani Saraswati	Chairperson
2	Mr Sunanda Kumar Mitra	Member
3	Mr Biswamohan Mahapatra	Member

The Committee was constituted on July 01,2017 and no meeting held during the year under reporting.



ANNUAL GENERAL MEETING

Details of AGM held during the Year 2017-18

YEAR	DATE	TIME	VENUE
2017	09.09.2017	12.00 Noon	CD-193,1ST FLOOR, SALT LAKE CITY, KOLKATA-700064

EXTRAORDINARY GENERAL MEETING

Details of EGM held during the Year 2017-18

YEAR	DATE	TIME	VENUE
2017	25.05.2017	11.00 AM	183/A SAHID HEMANTA KUMAR BOSE SARANI, JAGDISHPALLY,KOLKATA-700074
2017	16.12.2017	11.00 AM	CD-193,1ST FLOOR,SALT LAKE CITY,KOLKATA-700064

Means of Communication

The Company has an operational website www.janakalyan.net

General Shareholders' Information

Second Annual General Meeting

Date:19.09.2018

Time:11.30 AM

Venue: CD-193,1ST FLOOR,SALT LAKE CITY,
KOLKATA-700064

Address for Correspondence

Janakalyan Consultancy & Services Private Limited

Registered Office: 183/A, SahidHemantaKumar Bose Sarani, Kolkata-700074

Head Office: CD-193,1st Floor,Sector-1, Salt Lake City,Kolkata-700064

Tel. No: 033 2337 0123

Email address: info@janakalyan.net Website: www.janakalyan.net





INDEPENDENT AUDITOR'S REPORT

To The Members of "JANAKALYAN CONSULTANCY & SERVICES PVT LTD"

1. Report on the Financial Statements

We have audited the accompanying financial statements of "JANAKALYAN CONSULTANCY & SERVICES PVT LTD" ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. 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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015, as amended, 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 the design, implementation and maintenance of internal control 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.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

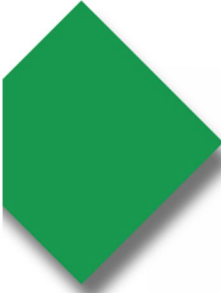

4. Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of the affairs of the company as at 31st March 2018, its profit and its cash flows for the year ended on that date.

5. 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 Flow 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, 2018, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018, 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 2018.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses except for employees benefit under AS-15.
- 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.


Place: Kolkata
Date: 05.05.2018



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



Biswanath Paul
(Partner)
M. No. 068186



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 CONSULTANCY & SERVICES PVT LTD".

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, 2018, 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



Biswanath Paul
(Partner)
M. No. 068186

Place: Kolkata
Date: 05.05.2018



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 CONSULTANCY & SERVICES PVT LTD".

We have audited the internal financial controls over financial reporting of "JANAKALYAN CONSULTANCY & SERVICES PVT LTD". as of March 31,2018 in conjunction with our audit of the standalone 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.

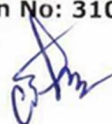
Opinion

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 31,2018, 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.

Place: Kolkata
Date: 05.05.2018



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


**Biswanath Paul
(Partner)
M. No. 068186**

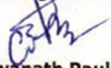
JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

		₹	₹
BALANCE SHEET AS AT		31ST MARCH, 2018	31ST MARCH, 2017
	Note		
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	122,990,900	55,272,000
Reserves & Surplus	4	108,520	(2,263,455)
		123,099,420	53,008,545
NON-CURRENT LIABILITIES			
Long Term Borrowings	5	167,706,066	-
Deferred Tax Liability (Net)		130,000	68,000
		167,836,066	68,000
CURRENT LIABILITIES			
Short Term Borrowings	6	221,233,657	100,000,000
Trade Payables	7	3,176,169	448,920
Other Current Liabilities	8	324,373,741	333,211
Short term provisions	9	7,665,022	45,050
		556,448,589	100,827,181
TOTAL		847,384,075	153,903,726
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	10		
-Tangible Assets		2,831,076	1,901,595
-Intangible Assets		326,793	35,940
Long term loans and advances	11	1,107,500	322,690
		4,265,369	2,260,225
CURRENT ASSETS			
Cash and Cash Equivalents	12	113,122,817	144,385,003
Short term loans and advances	13	705,919,280	4,615,710
Other current assets	14	24,076,609	2,642,788
		843,118,706	151,643,501
TOTAL		847,384,075	153,903,726

Significant Accounting Policies and Notes 1 & 2

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

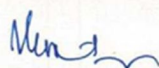
For SRB & Associates
Chartered Accountants
Firm Registration No. 310009E



Biswanath Paul
(Partner)
M. No.068186

Date :05.05.2018
Place:Kolkata



For and on behalf of the Board of Directors


Sunanda Kr. Mitra
Chairman


Alok Biswas
Managing Director


Anindita Chanda
Company Secretary

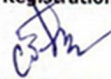


JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

		₹	₹
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED		31ST MARCH, 2018	31ST MARCH, 2017
	Note		
Revenue from Operations	15	112,168,604	47,427
Other Income	16	4,510,354	1,107,093
Total Revenue		116,678,958	1,154,520
EXPENSES			
Employee Benefits Expenses	17	32,823,822	1,358,751
Depreciation	10	623,100	164,832
Finance Cost	18	62,115,978	46,575
Other Expenses	19	11,062,111	1,734,767
Provisions and Write-offs	20	7,011,478	45,050
Total Expenses		113,636,489	3,349,975
Profit before Tax		3,042,469	(2,195,455)
Tax Expenses:			
(1) Current Tax		608,494	-
(2) Deferred Tax (Assets)/Liabilities		62,000	68,000
(3) Tax of Earlier Years		-	-
Total Tax Expenses		670,494	68,000
Profit for the Year		2,371,975	(2,263,455)
Earning Per Equity Share			
(1) Basic		0.28	(0.97)
(2) Diluted		0.28	(0.97)

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

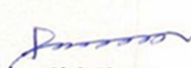

Biswanath Paul
(Partner)
M. No.068186

Date :05.05.2018
Place:Kolkata



For and on behalf of the Board of Directors


Sunanda Kr. Mitra
Chairman


Alok Biswas
Managing Director


Anindita Chanda
Company Secretary

JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018		
Particulars	2017-18	2016-17
	RUPEES (₹)	RUPEES (₹)
Cash Flow From Operating Activities :		
Profit Before Tax and extraordinary items	3,042,462	(2,195,455)
Adjustments for :		
Loan Loss Provisions	7,011,478	45,050
Depreciation	140,857	164,832
Operating Profit Before Working Capital Changes	10,194,797	(1,985,573)
(Increase)/Decrease in Micro Finance Loans	(701,147,849)	(4,505,000)
(Increase)/Decrease in Other Loans & advances	(784,810)	(322,690)
(Increase)/Decrease in Other Current Assets	(21,107,292)	(2,753,498)
Increase/(Decrease) in Trade Payables	2,727,249	448,920
Increase/(Decrease) in Current Liabilities	5,926,684	333,211
Net Cash Provided By/(Used In) Operating Activities (A)	(704,191,221)	(8,784,630)
Cash Flow From Investing Activities		
Purchases of Fixed Assets	1,843,434	2,102,367
Net Cash Provided By/(Used In) Investing Activities (B)	(1,843,434)	(2,102,367)
Cash Flow From Financing Activities :		
Increase in Borrowings	607,053,569	100,000,000
Proceeds From Issuance of Share Capital	67,718,900	55,272,000
Net Cash Provided By/(Used In) Financing Activities (C)	674,772,469	155,272,000
Net Increase In Cash And Cash Equivalents (A+B+C)	(31,262,186)	144,385,003
Cash And Cash Equivalents At The Beginning of The Year	144,385,003	-
Cash And Cash Equivalents At The End of The Year	113,122,817	144,385,003
Cash And Cash Equivalents Comprises of :		
1. Cash In Hand	47,908	57,268
2. Balances With Scheduled Banks	113,074,909	144,327,735
	113,122,817	144,385,003

As per our report of even date annexed herewith

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

For and on behalf of the Board of Directors

Biswanath Paul
(Partner)
M. No.068186

Sunanda Kr. Mitra
Chairman

Alok Biswas
Managing Director

Anindita Chanda
Company Secretary

Place : Kolkata
Date :05.05.2018

JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Note-1 NATURE OF OPERATION:
 JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED" (here in after refers as the Company or JCSPL) is engaged in Micro Finance lending activities for providing financial services to economically weaker section in the rural and urban areas of India. JCSPL 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 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	5 Years
Computer & Software	3 Years
Furniture and Fixtures	10 Years

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

2.05 Borrowing Cost

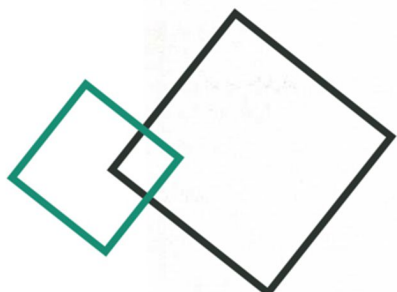
Interest on borrowing is recognised on time proportion basis taking into account the amount outstanding and the rate applicable on the borrowing.

2.06 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.



Handwritten signatures and a circular stamp of JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED KOLKATA.

2.07 Retirement and other Employee Benefits

(i) The company has not estimated its liability towards Employees Gratuity based on an actuarial valuation in the current Financial Year.

2.08 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.

2.09 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.

2.10 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

2.11 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	Estimated Provision adopted by the Company for the Year 2017-18	Estimated Provision adopted by the Company for the Year 2016-17
Current Assets	-	0.40%	0.40%	0.35%
Standard Assets	Upto 90 days	0.40%	0.40% to 1%	0.35%
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.



JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

2.12 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.

2.13 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.

2.14 Provisions and Write-offs

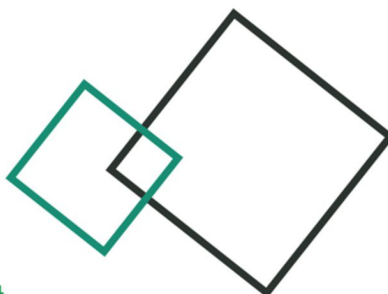
A provision is recognized when an enterprise has a present obligation as a result of past event, its outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best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

2.15 Cash and Cash Equivalents

Cash and Cash equivalents comprise of cash in hand and unrestricted Cash at Bank .

2.16 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.



JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31ST, 2018:

Note-3: SHARE CAPITAL

Particulars	₹	₹
	31ST MARCH, 2018	31ST MARCH, 2017
AUTHORISED		
2,00,00,000 (P.Y.:1,00,00,000) Equity shares of ` 10/- each	200,000,000	100,000,000
	200,000,000	100,000,000
ISSUED, SUBSCRIBED AND PAID UP		
1,22,99,090 no (P.Y. 55,27,200) paid up Equity shares of ` 10/- each	122,990,900	55,272,000
	122,990,900	55,272,000

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	As on 31/03/2018		As on 31/03/2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Sunanda Kumar Mitra	4,491,804	36.52%	2,000,000	36.18%
Alok Biswas	1,243,288	10.11%	1,000,000	18.09%
Samiran Chanda	850,000	5.28%	500,000	9.05%
Manick Deb	750,000	6.10%	500,000	9.05%
Samir Chimanlal Sanghvi	808,600	6.57%	763,600	13.82%
Jatin Chimanlal Sanghvi	641,400	5.22%	763,600	13.82%
Loknath Agarwalla	1,000,000	8.13%	-	-
Susim Mukul Datta	1,050,000	8.54%	-	-

The reconciliation of number of Equity Shares is set out below

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Number of Shares at the beginning	5,527,200	-
Add: Issue of Equity Shares during the Year	6,771,890	5,527,200
Number of shares at the end	12,299,090	5,527,200

Issue of Sweat Equity Shares

Particulars	31ST MARCH, 2018	31ST MARCH, 2017
Number of Shares at the beginning of the year	NIL	NIL
Add: Issue of Sweat Equity during the year	500,000	NIL
Number of Shares at the end of year	500,000	NIL

During the year the Company has allotted 5,00,000 sweat equity shares at face value of Rs.10/-

Note-4 RESERVES & SURPLUS

Particulars	₹	₹
	31ST MARCH, 2018	31ST MARCH, 2017
A. Statutory Reserve		
Opening Balance	-	-
Add: Transfer from Surplus	474,395	-
	474,395	-
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. Surplus in Profit and Loss Account.		
Opening Balance	(2,263,455)	-
Add/(Less): Profit/(Loss) for the Period	2,371,975	(2,263,455)
Amount available for appropriation	108,520	(2,263,455)
Appropriation :		
Transfer to Statutory Reserve	474,395	-
Surplus - Closing Balance	(365,875)	(2,263,455)
TOTAL (A+B+C)	108,520	(2,263,455)





JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED
NOTES FORMING PART OF THE BALANCE SHEET

NOTE - 5 : LONG TERM BORROWINGS

Terms of Repayment of Term Loan as on 31st March 2018

Figures (₹) in

Sl. No.	Banks / Financial Institutions	Balance as on 01.04.2017	Received during the year	Repaid during the year	Balance as on 31.03.2018	Rate of Interest (%)	Nature of Security		Terms of Repayment
							Hypothecation of Book Debts	Fixed Deposit / Collateral	
SECURED LOANS									
TERM LOAN FROM BANKS/FINANCIAL INSTITUTIONS									
1	Utkarsh Small Finance Bank Ltd	-	100,000,000	25,000,000	75,000,000	15.00%	100%	10.00%	Director Monthly
2	Mas Financial Services Limited	-	230,000,000	42,083,326	187,916,674	15.25%	100%	12.50%	Director Monthly
3	Axis Bank Ltd	-	50,000,000	14,285,713	35,714,287	10.00%	100%	-	Director Quarterly
4	Capital First Ltd	-	50,000,000	2,779,316	47,220,684	15.00%	11.0%	-	Director Monthly
5	Sub-ordinated debt, Mas Financial Services Ltd	-	30,000,000	-	30,000,000	17.50%	-	-	Director Monthly
6	Mahindra & Mahindra Financial Services Ltd	-	50,000,000	6,164,955	43,835,045	13.25%	105%	10.00%	Director Monthly
7	Avanse Financial Services Limited	-	30,000,000	1,836,249	28,163,751	14.50%	100%	7.50%	Director Monthly
8	Visu Leasing and Finance Pvt. Ltd	-	40,000,000	2,030,529	37,969,471	15.25%	105%	0.00%	Director Monthly
	Total	-	580,000,000	94,180,088	485,819,912				

Less: Current Maturities Transferred to Other Liabilities (Refer Note No-6)
Balance as on 31st March 2018

318,113,846
167,706,066

NOTE - 6 : SHORT TERM BORROWINGS

Terms of Repayment of Term Loan as on 31st March 2018

Figures (₹) in

Sl. No.	Banks / Financial Institutions	Balance as on 01.04.2017	Received during the year	Repaid during the year	Balance as on 31.03.2018	Rate of Interest (%)	Nature of Security		Terms of Repayment
							Hypothecation of Book Debts	Fixed Deposit / Collateral	
SECURED LOANS									
TERM LOAN FROM BANKS/FINANCIAL INSTITUTIONS									
1	Reliance Commercial Finance Ltd	-	114,000,000	37,716,305	76,283,695	15.00%	100.00%	10.00%	Director Monthly
2	Arohan Financial Services Pvt Limited	100,000,000	100,000,000	165,519,821	34,480,179	15.50%	110.00%	10.00%	Director Monthly
3	Nova Vyapar Private Limited	-	31,000,000	10,000,000	21,000,000	12.00%	111.00%	-	Director Monthly
4	Jain Sons Finance Limited	-	59,000,000	9,530,217	49,469,783	15.00%	110.00%	10.00%	Director Monthly
5	Mas Financial Services Limited Term Loan	-	40,000,000	-	40,000,000	14.25%	-	12.50%	Director Monthly
	Total	100,000,000	344,000,000	222,766,343	221,233,657				

Balance as on 31st March 2018

221,233,657



Signature
JANAKALYAN CONSULTANCY & SERVICES PVT. LTD.

JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

Note-7	Trade payables	Particulars	
		31ST MARCH, 2018	31ST MARCH, 2017
		₹	₹
	Liability for Expenses	551,715	448,920
	Group Insurance Premium	2,624,454	-
	Total	3,176,169	448,920

Note-8	Other Current Liabilities	Particulars	
		31STMARCH, 2018	31ST MARCH, 2017
		₹	₹
	Current maturities of Long Term Debt	318,113,846	-
	Statutory Liabilities	821,438	286,636
	Interest Accrued but Not due	3,123,341	46,575
	Payable to Creditors (Lenders)	2,315,116	-
	Total	324,373,741	333,211

Note-9	Provisions	Long Term		Short Term	
		31.03.2018	31.03.2017	31.03.2018	31.03.2017
	Provision for Portfolio Loan Assets:				
	Contingent Provision against current and Standard Assets	-	-	7,056,528	45,050
	Non Performing Loans	-	-	-	-
	Total	-	-	7,056,528	45,050
	Others				
	Provision for Grauity	-	-	-	-
	Provision for Taxation	-	-	608,494	-
	Total	-	-	7,665,022	45,050

Note-10	FIXED ASSETS: Tangible:	Figures in ₹				
		Cost or Valuation	Office Equipments	Computer & Software	Furniture & Fixtures and Equipments	Total
	As at 1st April 2017	423,424		321,740	1,321,263	2,066,427
	Additions during the period	158,499		961,102	373,654	1,493,255
	Disposals	-		-	-	-
	As at 31st March 2018	581,923	1,282,842	1,694,917		3,559,682
	Depreciation					
	As at 31st March 2017	42,311		55,041	67,480	164,832
	Charge For the Period	103,732		306,218	153,824	563,774
	Disposals	-		-	-	-
	As at 31st MARCH 2018	146,043	361,259	221,304	728,606	728,606
	Net Block as on 31st March 2018	435,880	921,583	1,473,613		2,831,076
	Net Block as on 31st March 2017	381,113	266,699	1,253,783		1,901,595

Intangible:	Cost or Valuation	Figures in ₹	
		Software	Total
	As at 1st April 2017	35,940	35,940
	Additions during the period	350,179	350,179
	Disposals	59,326	59,326
	Net Block as on 31st March 2018	326,793	326,793

Note-11	Long Term Loans and Advances:	Particulars	
		31ST MARCH, 2018	31ST MARCH, 2017
		₹	₹
	Advance against fixed Assets	1,107,500	322,690
	Total	1,107,500	322,690

Note-12	Cash and cash equivalents.	Particulars	
		31ST MARCH, 2018	31ST MARCH, 2017
		₹	₹
	(a) Balances with banks	33,927,409	113,327,735
	(b) Cash on hand	47,908	57,268
	(c) Fixed Deposit with Banks	79,147,500	31,000,000
	Total	113,122,817	144,385,003



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JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

Note-13 Short Term Loans and Advances:			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Micro Finance Loans			
Opening Balance	4,505,000	-	
Add: Loan Disbursed	1,394,076,600	4,505,000	
Sub-Total	1,398,581,600	4,505,000	
Less: Realised	488,531,367	-	
Less: Assigned Loan portfolios (Refer note no-22)	137,123,240	-	
Less: BC Loan Outstanding	67,274,144	-	
	705,652,849	4,505,000	
(i) Microfinance Loan (Unsecured and considered good)	705,652,849	4,505,000	
(ii) Advance Income Tax	266,431	110,710	
Total	705,919,280	4,615,710	
Apart from the above Loan Portfolio the Company is managing Loan Portfolio of an NBFC for an amount of Rs.6.73 Crore as a business correspondent and Rs1.79 crore as assigned Portfolio during the above period. (Please read Note No-22 & 23)			
Note-14 Other current assets			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Preliminary Expenses not Written off	1,484,451	703,200	
Security Deposit against Rent	216,050	80,000	
Interest accrued on Fixed Deposit	2,105,132	703,811	
Interest accrued on Portfolio Loan	7,898,407	1,777	
Prepaid Expenses	7,895,960	1,150,000	
Trade Receivables	1,729,483	-	
MRR Receivable from Assignor	1,857,335	-	
TDS Receivable	669,006	-	
Advance to staffs	220,785	4,000	
Total	24,076,609	2,642,788	
Note-15 Revenue from operations			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Interest on Loan. (Refer Note (i) below)	93,263,434	1,777	
Other Financial Charges.	13,614,301	45,650	
Profit on sale of Loan Portfolios (Refer note no-22)	5,290,869	-	
Total	112,168,604	47,427	
Note-15 Revenue from operations (continued)			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
i) Interest on Loan comprises:			
a) Interest on Micro Finance Loan	93,263,434	1,777	
Total	93,263,434	1,777	
The company offers small loan products to its borrowers for income generation, which are repayable in equal weekly/fortnightly/Monthly instalments.			
Note-16 Other Income			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Interest on Fixed Deposit	2,572,270	1,107,093	
Dividend	1,133,877	-	
Commission from sale D. Light	180,644	-	
Commission on Business Corespondent Model	623,563	-	
Total	4,510,354	1,107,093	
Note-17 Employee benefit expenses			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Salaries, Wages & Bonus etc.	29,686,930	1,358,751	
Provident Fund and ESI	2,963,559	-	
Employee Health and Insurance Premium	173,333	-	
Total	32,823,822	1,358,751	
Salaries and wages include: 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 not estimated its liability towards Employees Gratuity based on an actuarial valuation as the company has started its business in March 2017 i.e one year old. After completion of 5 years or more of service every employee will be eligible for gratuity. The liability towards gratuity will be recognised as and when due.			
Note-18 Finance Cost			
Particulars	31ST MARCH, 2018	31ST MARCH, 2017	
	₹	₹	
Interest on Borrowings	59,929,138	46,575	
Loan Processing Fees	2,186,840	-	
Total	62,115,978	46,575	



JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

Note-19 Other expenses		31ST MARCH, 2018	31ST MARCH, 2017
Particulars		₹	₹
Audit fee		37,583	34,500
Telephone & Internet		246,545	14,741
Bank Charges		139,695	8,953
Electricity Expenses		199,677	7,711
Filling Fees		47,857	6,032
Professional Fees		1,623,957	983,575
Office Rent		1,831,738	348,500
Printing & Stationery expenses		999,599	10,793
Travelling & Conveyance		1,446,822	21,707
Office Expenses		695,411	115,475
Training Expenses		258,930	175,800
Rates and Taxes		13,968	6,980
Staff Welfare		1,183,096	-
Directors Sitting Fees		145,000	-
Insurance		139,079	-
Stamp Charges		9,509	-
Repair & Maintenance		31,612	-
Input GST		608,303	-
IT related Charges		263,380	-
Membership Fees		170,350	-
Consultancy Charges		970,000	-
Total		11,062,111	1,734,767

Note-20 Provisions for Loan Loss				
Particulars	As at 1st April, 2017	Additions	Utilisation	As at 31ST MARCH, 2018
	₹	₹	₹	₹
Provision for Loan Loss on Standard Asset	45,050	6,943,398	-	6,988,448
Provision for Loan Loss on Doubtful and Loss Assets	-	68,081	-	68,081
Total	45,050	7,011,478	-	7,056,528

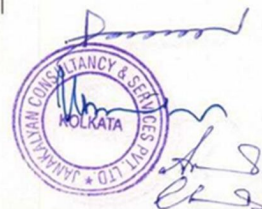
Note-21 Classification of Portfolio Loan on age basis					
Particulars	Estimated Provisions	As at 31ST MARCH, 2018		As at 31 March, 2017	
		Principal	Provision Amount (₹)	Principal	Provision Amount (₹)
Current	0.40% to 1%	708,652,849	6,988,447	4,608,000	45,050
91 to 179 days	50%	136,161	68,081	-	-
180 days or more	100%	-	-	-	-
Total		708,652,849	7,056,528	4,608,000	45,050
*Subject to 1% Whichever is Higher		708,652,849	7,056,528	4,608,000	45,050

According to RBI Notification no. DNB.R.(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 Assigned Loan Portfolio:		
During the Period, the Company has managed loan portfolio of Arohan Financial Services Pvt Ltd. Details are as given below.		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
	₹	₹
Opening Balance	-	-
Portfolio assigned	137,123,240	-
Total	137,123,240	-
Amount collected from Clients	119,132,495	-
Outstanding Portfolio	17,990,745	-

Note-23 Loan Portfolio managed as a Business Correspondent.		
During the Period, the Company has disbursed Rs.7.68 Crore of Micro finance loan to borrowers as a business correspondent of MAS Financial Services Ltd. Details are as given below.		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
	₹	₹
Opening Balance	-	-
Amount disbursed for MAS Financial Services Ltd	76,780,000	-
Total	76,780,000	-
Amount collected from Clients	9,505,856	-
Outstanding Portfolio	67,274,144	-

Note-24: Income as Business Correspondent		
Particulars	31ST MARCH, 2018	31ST MARCH, 2017
	₹	₹
Amount Received from MAS Financial Services Ltd	623,563	-
	623,563	-



JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

Note-25	Profit on Sale of Loan Portfolio		
	Particulars	31ST MARCH, 2018	31ST MARCH, 2017
		₹	₹
	Sale Consideration Received	142,414,109	-
	Book Value of loan portfolio Sold	137,123,240	-
	Profit on above	5,290,869	-
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	Whole Time Director	
	Biswamohan Mahapatra	Independent Director	
	Bani Saraswati	Independent Director	
	b) Nature of Transactions		
	Particulars	31.03.2018	31.03.2017
		Transaction Value	Outstanding
	i) Alok Biswas		
	Remuneration		
	ii) Sunanda Kr. Mitra		
	Remuneration	2,700,000	9,00,000
		2,700,000	-
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 initiated 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.		
Note 29	Earning Per Share		
	Particulars	31ST MARCH, 2018	31ST MARCH, 2017
		₹	₹
	Net Profit After Tax	2,371,975	(2,263,455)
	Weighted Average Number of Shares	8,564,042	2,335,041
	Earning per share (Basic/Diluted)	0.28	-0.97
	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, 2018	31ST MARCH, 2017
	CRAR	19.99%	537.59%
	CRAR- Tier I Capital	15.70%	537.42%
	CRAR-Tier II Capital	4.29%	0.17%
Note 31	Average rate of Interest, cost of borrowing and Margin		
	Particulars	31ST MARCH, 2018	31ST MARCH, 2017
	Average Interest(a)	24.63%	25.00%
	Average cost of borrowing(b)	13.83%	17.00%
	Margin(a-b)	10.80%	8.00%
Note 32	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 inclusive of		
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	707,053,569	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) :	Amount Outstanding	Amount Overdue
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



JANAKALYAN CONSULTANCY & SERVICES PRIVATE LIMITED

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)	705,652,849		705,652,849
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			
a. Financial lease	NII		NII
b. Operating lease	NII		NII
II Stock on hire including hire charges under Sundry Debtors			
a. Assets on hire	NII		NII
b. Repossessed Assets	NII		NII
III Hypothecation Loans counting towards EL/HP activities			
a. Loans where assets have been repossessed	NII		NII
b. Loans other than (a) above	NII		NII
Total	NII		NII
5 Break up of Investments :			
Current Investments			
1 Quoted Shares			
I Shares : (a) Equity	NII		NII
(b) Preference	NII		NII
II Debentures and Bonds	NII		NII
III Units of mutual funds	NII		NII
IV Government Securities	NII		NII
V Others (Please Specify)	NII		NII
2 Un-Quoted Shares			
I Shares : (a) Equity	NII		NII
(b) Preference	NII		NII
II Debentures and Bonds	NII		NII
III Units of mutual funds	NII		NII
IV Government Securities	NII		NII
V Others (Please Specify)	NII		NII
Long Term Investments :			
1 Quoted Shares			
I Shares : (a) Equity	NII		NII
(b) Preference	NII		NII
II Debentures and Bonds	NII		NII
III Units of mutual funds	NII		NII
IV Government Securities	NII		NII
V Others (Please Specify)	NII		NII
2 Un-Quoted Shares			
I Shares : (a) Equity	NII		NII
(b) Preference	NII		NII
II Debentures and Bonds	NII		NII
III Units of mutual funds	NII		NII
IV Government Securities	NII		NII
V Others (Please Specify)	NII		NII
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	NII	NII	NII
b. Companies in the same group	NII	NII	NII
c. Other related parties	NII	NII	NII
2 Other than related parties	NII	705,652,849	705,652,849
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	NII	NII	
a. Subsidiaries	NII	NII	
b. Companies in the same group	NII	NII	
c. Other related parties	NII	NII	
2 Other than related parties	NII	NII	
Total	NII	NII	
**As per Accounting Standard of ICAI			
8 Other Information:			
Particulars			
I. Gross Non-performing Assets			
a. Related parties	NII		NII
b. Other than related parties	NII		NII
II Net Non-performing Assets			
a. Related parties	NII		NII
b. Other than related parties	NII		NII
III Assets acquired in satisfaction of debt			
Note-33 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 Chartered Accountants Firm Registration No. 310009E Biswanath Paul (Partner) M. No.068186 Date :05.05.2018 Place:Kolkata		For and on behalf of the Board of Directors Sunanda Kr. Mitra Chairman Alok Biswas Managing Director Anindita Chanda Company Secretary	