

January 15, 2024

Ref. FEDFINA/ CS/ 30/ 2023-24

To, National Stock Exchange of India Ltd., Listing Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	To, BSE Limited, The Corporate Relationship Dept. Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 BSE NCD Company Code: 12337, ISIN INE007N08023, INE007N07041, INE007N08015 and INE007N07033
---	--

Re: Scrip Code: 544027, Symbol: FEDFINA

Sub: Outcome of the Board meeting held on January 15, 2024 and submission of the Unaudited Financial results for the third quarter ended December 31, 2023 pursuant to the provisions of the SEBI (LODR) Regulations, 2015.

Dear Sir/Madam,

Pursuant to the provisions of Regulations 30, 33, 52 and 54 read with Schedule III of the SEBI (Listing Obligations and Disclosure requirements) 2015 ("SEBI Regulations") and other applicable regulations, if any, we hereby inform that the Board of Directors of the Company in their meeting held today i.e. January 15, 2024 has inter- alia, considered and approved the following:

1. the Unaudited Financial Results of the Company for the third quarter ended December 31, 2023. The said results were reviewed and recommended by the Audit Committee in its meeting held today prior to the Board Meeting.
2. Approval of the amendment in the Employees Stock Option Scheme, 2018 as amended, subject to the ratification of the shareholders.

In this regard, please find enclosed the following:

1. Unaudited Financial results for the said quarter along with the Limited review report issued by M/s. BSR & Co. LLP, Statutory Auditors, of the Company with unmodified opinion.
2. Disclosures of Asset security cover in accordance with Regulation 54 of SEBI Regulations as Annexure- I



CONFIDENTIAL.

3. Disclosure of ratios and prescribed line items in accordance with Regulation 52(4) of SEBI Regulations as Annexure- II
4. Statement of utilisation of issue proceeds with nil deviation or variation for public issue pursuant to Reg 32(1) of the SEBI Regulations as Annexure- III

Further, in accordance with Regulations 47 and 52 of the SEBI Regulations, the Company would be publishing the Unaudited Financial Results for the third quarter ended December 31, 2023 in Business Standard (English) newspaper and Mumbai Lakshadeep (Marathi) newspaper within the prescribed timelines.

The Board meeting commenced at 1.40 p.m and concluded at 2.55 p.m.

The above is submitted for your kind information and appropriate dissemination.

Thanking you,

Yours Faithfully
For Fedbank Financial Services Limited



Rajaram Sundaresan
Company Secretary & Compliance Officer
Membership No.:F3514



CONFIDENTIAL.

BSR & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai - 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Limited Review Report on unaudited financial results of Fedbank Financial Services Limited for the quarter ended 31 December 2023 and year-to-date results for the period 1 April 2023 to 31 December 2023 pursuant to Regulation 33 and Regulation 52(4) read with Regulation 63 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended

To the Board of Directors of Fedbank Financial Services Limited

1. We have reviewed the accompanying Statement of unaudited financial results of Fedbank Financial Services Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2023 and year-to-date results for the period 1 April 2023 to 31 December 2023 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52(4) read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Registered Office:

BSR & Co. (a partnership firm with Registration No. BA61223) converted into BSR & Co. LLP (a limited liability partnership with LLP Registration No. AAB-2181) with effect from October 16, 2015

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East), Mumbai - 400063

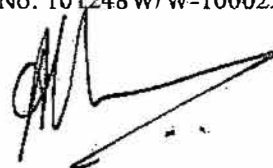
Limited Review Report (Continued)

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) read with Regulation 63 of the Listing Regulations, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters to the extent applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Ashwin Suvarna

Partner

Membership No.: 109503

UDIN: 24109503BKCSJG7306

Mumbai

15 January 2024

Statement of Unaudited Financial Results for the Quarter and nine months ended December 31, 2023

INR in Lakhs

Sl.No.	Particulars	For the Quarter ended			For the Nine months ended		For the Year ended
		Dec 31, 2023	Sep 30, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	Mar 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from Operations						
	(a) Interest Income	39,239	37,422	29,051	110,784	79,268	111,016
	(b) Fee and Commission Income	1,624	1,699	1,441	4,749	4,017	5,601
	(c) Net Gain on fair value changes	482	358	381	1,430	802	1,262
	I Total Revenue from Operations	41,345	39,479	30,873	116,963	84,087	117,879
	II Other Income	1,600	316	1,016	2,564	2,715	3,588
	III Total Income (I + II)	42,945	39,795	31,889	119,527	86,802	121,467
	Expenses						
	(a) Finance cost	17,575	16,691	12,515	50,624	33,113	47,215
	(b) Fees and commission expenses	546	575	794	1,581	1,730	2,328
	(c) Impairment on financial instruments and other receivable	2,266	1,481	1,040	4,812	3,705	4,890
	(d) Employee benefit expense	8,349	7,932	6,378	23,204	17,869	24,760
	(e) Depreciation and amortisation expense	974	947	1,091	2,787	3,077	4,187
	(f) Other expenses	4,455	4,432	3,444	12,796	8,494	12,248
	IV Total Expenses	34,165	32,058	25,262	95,804	67,988	95,628
	V Profit before tax (III-IV)	8,780	7,737	6,627	23,723	18,814	25,839
	VI Exceptional Items	-	-	-	-	-	(1,537)
	VII Profit before tax	8,780	7,737	6,627	23,723	18,814	24,302
	VIII Tax expense	2,239	1,961	1,510	6,018	4,705	6,289
	Current tax	1,612	2,045	1,193	5,527	4,489	5,738
	Deferred tax	627	(84)	317	491	216	551
	IX Net Profit / (Loss) for the period/year (VII-VIII)	6,540	5,776	5,117	17,705	14,109	18,013
	X Other Comprehensive Income	849	1,384	(86)	2,630	759	1,238
	(a) Items that will not be reclassified to profit or loss						
	(i) Re-measurement of net defined benefit plan	(9)	34	16	12	48	15
	(ii) Income tax related to Items that shall not be reclassified to profit and loss	2	(8)	(5)	(3)	(13)	(4)
	Total	(7)	26	11	9	35	11
	(b) Items that will be reclassified to profit or loss						
	(i) Fair value gain / loss - OCI - Loans	1,191	1,821	(120)	3,524	992	1,633
	(ii) Fair value gain - OCI - Investment in Government Securities	(43)	(3)	(12)	(14)	(11)	6
	(iii) Tax effect on Fair value gain / loss - OCI - Loans and Investment in Government Securities	(292)	(460)	35	(889)	(257)	(412)
	Total	856	1,358	(97)	2,620	724	1,227
	XI Total Comprehensive Income (IX+X)	7,390	7,160	5,031	20,334	14,868	19,251
	XII Earnings Per Share (Face Value of Rs. 10/- each)#						
	- Basic (Rs.)	1.92	1.78	1.60	5.39	4.39	5.60
	- Diluted (Rs.)	1.89	1.78	1.59	5.29	4.38	5.59

EPS for the period is not annualised



Notes:

- The Company is a Systemically Important Non Deposit taking Non Banking Finance Company (NBFC-ND-SI) registered with Reserve Bank of India (RBI) classified as an Investment and Credit Company.
- The above unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under section 133 of the Companies Act, 2013 (the "Act"), and other recognised accounting practices generally accepted in India and are in compliance with Regulation 33, Regulation 52(4) read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended (the "Listing Regulations"), as prescribed in Securities and Exchange Board of India operational circular SEB/HO/DDHS/PCIR/2021/613 dated August 10, 2021. Any application guidance / clarification / directions issued by RBI or other regulators are implemented as and when they are issued / applicable.
- The aforesaid unaudited financial results have been approved by the Board of Directors at its meeting held on January 15, 2024 after review by the Audit Committee. The statutory auditors have issued an unmodified review opinion on the aforesaid unaudited financial results for the quarter and nine months ended December 31, 2023.
- Security cover available: The Company has secured NCDs of Rs 287.50 Crs (face value) outstanding at December 31, 2023 which are secured by way of first ranking pari passu charge over the eligible receivables and Current assets to the extent of security cover of 1.10 times of the Obligations.
- Segment Information

(INR In Lakhs)

Particulars	Quarter ended	Quarter ended	Quarter ended	Nine month ended	Nine month ended	Year ended
	Dec 31, 2023	Sept 30, 2023	Dec 31, 2022	Dec 31, 2023	Dec 30, 2022	Mar 31, 2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(i) Segment Revenue						
Retail Finance	38,883	37,508	29,106	110,248	79,603	111,479
Wholesale Finance	15	70	86	198	342	319
Distribution	850	957	881	2,618	2,410	3,407
Unallocated	3,197	1,260	1,816	6,463	4,447	6,262
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	42,945	39,795	31,889	119,527	86,802	121,467
(ii) Segment Result						
Retail Finance	6,489	7,339	5,261	20,162	16,923	21,809
Wholesale Finance	(160)	20	(61)	(166)	(886)	(1,005)
Distribution	38	45	40	119	110	151
Unallocated	2,412	333	1,387	3,607	2,667	4,884
Profit before tax	8,780	7,737	6,627	23,722	18,814	25,839
(iii) Capital Employed						
Segment Assets						
Retail Finance	1,059,564	1,004,561	851,983	1,059,564	851,983	896,543
Wholesale Finance	2,772	2,855	3,847	2,772	3,847	6,700
Distribution	658	329	330	658	330	476
Unallocated	2,400	2,770	4,759	2,400	4,759	3,380
Total Assets	1,065,394	1,010,515	860,919	1,065,394	860,919	907,099
Segment Liabilities						
Retail Finance	846,847	858,457	726,703	846,847	726,703	765,755
Wholesale Finance	2,084	2,310	3,099	2,084	3,099	5,293
Distribution	93	114	100	93	100	483
Unallocated	-	-	-	-	-	-
Total Liabilities	849,024	860,881	729,902	849,024	729,902	771,531
(Segment assets - Segment Liabilities)						
Retail Finance	212,718	146,105	125,280	212,718	125,280	130,788
Wholesale Finance	687	545	748	687	748	1,407
Distribution	565	215	230	565	230	(7)
Unallocated	2,400	2,770	4,759	2,400	4,759	3,380
Net Segment assets / (liabilities)	216,370	149,635	131,017	216,370	131,017	135,568

The Company has reported segment Information as per Indian Accounting Standard (Ind AS) 108 on 'Operating segments'. As per Ind AS 108, segments are identified based on management's evaluation of financial information for allocating resources and assessing performance. For presentation of segment information, directly attributable income, and assets are allocated as such and the other income, expenses and other assets and liabilities are apportioned on appropriate basis. Accordingly, the Company has identified following three reportable segment:

Business Segment	Principal Activities
1. Retail Finance	Retail finance comprises of Gold Loan, Loan Against Property, MSE Loan Against Property, Business Loans, Personal Loans and Housing Finance
2. Wholesale Finance	Wholesale finance segment comprised of Construction Finance and Loan to other NBFCs
3. Distribution	Distribution segment comprises of sourcing business of Home Loan, Auto Loans, Personal Loans and SME Loans for Holding Company



6 Disclosure as per Regulation 52(4) of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 as amended.

Particulars	As at	As at	As at	As at
	Dec 31, 2023	Sept 30, 2023	Mar 31, 2023	Dec 31, 2022
Debt-Equity Ratio ²	3.69	5.45	5.26	5.26
Debt Service Coverage Ratio	NA	NA	NA	NA
Interest Service Coverage Ratio	NA	NA	NA	NA
Outstanding redeemable preference shares (quantity and value)	NA	NA	NA	NA
Capital redemption reserve (INR in Lakhs)	200	200	200	200
Debenture redemption reserve	NA	NA	NA	NA
Current liability ratio ³	0.37	0.33	0.33	0.43
Total debts to total assets	0.75	0.81	0.79	0.80
Net worth ⁴ (INR in Lakhs)	216,370	149,634	135,568	131,017
Sector specific equivalent ratios				
- CRAR	25.79%	19.70%	17.94%	18.69%
- Gross Non Performing Assets (GNPA) ⁵	2.19%	2.34%	2.03%	2.41%
- Net Non Performing Assets (NNPA) ⁶	1.66%	1.83%	1.59%	1.95%
- Liquidity Coverage ratio	126.00%	101.00%	108.00%	88.00%
- Provision Coverage Ratio (PCR) ⁷	24.52%	22.54%	22.19%	19.35%

Particulars	Quarter ended		Dec 31, 2022	Nine month ended		Year ended Mar 31, 2023
	Dec 31, 2023	Sept 30, 2023		Dec 31, 2023	Dec 31, 2022	
Net profit margin (%)	15.23%	14.51%	16.05%	14.81%	16.25%	14.83%
Net Profit after tax (INR in Lakhs)	6,540	5,776	5,117	17,705	14,109	18,013
Earning Per Share (EPS) - Not annualised						
- Basic	1.92	1.78	1.60	5.39	4.39	5.60
- Diluted	1.89	1.78	1.59	5.29	4.38	5.59

1. Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital ratio, Bad debts to accounts receivable ratio, Debtors turnover, Inventory turnover and Operating margin are not applicable to the Company.

2. Debt equity ratio = [Debt Securities + Borrowings (Other than Debt Securities) + Subordinated Liabilities] / [Equity Share capital + Other equity]

3. Current Liability Ratio = [Current Liabilities] / [Total Assets minus Total Net worth]

4. Net worth = [Equity share capital + Other equity]

5. GNPA = Stage 3 Loans / Total Gross Loans

6. NNPA = [Gross Stage 3 Loans - Impairment allowance for Stage 3 Loans] / [Total Gross Loans - Impairment allowance for Stage 3 Loans]

7. PCR = [Total Impairment allowance for Stage 3 Loans] / [Total Stage 3 Loans]

7 Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021

(i) The Company has not transferred any non-performing assets (NPAs).

(ii) The Company has not transferred any Special Mention Account (SMA) and loan in default.

(iii) Details of transfer through assignment in respect of loans not in default during the quarter ended December 31, 2023:

Particulars	Amount
Aggregate amount of Loan transferred (Rs. in lakhs)	50,322
Weighted average residual maturity (in months)	104
Weighted average holding period by originator (in months)	17
Retention of beneficial economic interest	5%/10%
Coverage of tangible security coverage (in %)	58%
Rating-wise distribution of rated loans	NA

(iv) The Company has not acquired any loans through assignment.

(v) The Company has not acquired any stressed loan.

8 The Company's equity shares have been listed on National Stock Exchange ("NSE") and on BSE Limited ("BSE") on November 30, 2023 on account of completion of the Initial Public Offering ("IPO") consisting of fresh issue of 4,28,81,148 equity shares amounting to Rs. 60,000 lakhs and through an offer for sale of 3,51,61,723 equity shares amounting to Rs.49,226 lakhs.

The Company has Non-convertible Debentures listed on the debt segment of BSE. As a debt listed Company, pursuant to Regulation 52 of the Listing Regulations, the Company is required to publish quarterly financial results within 45 days from the completion of the quarter. Due to the aforesaid IPO process, the submission of the unaudited limited review results for the quarter and half year ended September 30, 2023 got delayed and were submitted subsequent to the results being approved by the Board of Directors at its board meeting held on December 11, 2023.

The delayed filing of the unaudited limited review results for the quarter and half year ended September 30, 2023 had also led to a delay in submission of quarterly financial results to its lenders attracting breach in one of the non-financial covenants. Some debenture holders of one of the debenture series have informed the concerned debenture trustee to take further action as per Debenture Trustee Deed based on which the debenture trustees had convened a meeting of the debenture-holders of that particular series on January 2, 2024 to arrive at a consensus on either condoning the delay upto December 11, 2023 for submitting unaudited limited review results or decide on any action to be taken including accelerated repayment and default interest. Subsequent to intimation of the results of the voting, the Company on January 10, 2024 informed to the Debenture Trustee's of the Company's view, that since the prescribed majority required to be obtained as per "Chapter X: Breach of Covenants, Default and Remedies" forming part of the "Master Circular for Debenture Trustees" dated March 31, 2023, as amended from time to time ("SEBI Defaults (Procedure) Circular") and the Debenture Trust Deed for making a decision, has not been obtained, no tenable grounds exist for proceeding with any subsequent cause of action in this matter. Consequently the Company believes that this breach in covenant does not have any material impact on the financial results of the Company as on the reporting date.

9 In January 2024, CARE Ratings Limited upgraded the credit rating on the Long Term Rating instruments (Bank Facilities, Non-Convertible Debentures & Subordinated debt) of the Company from AA (Stable) to AA+ (Stable) and CRISIL Ratings Limited assigned credit rating of AA (Positive) for the Non-Convertible Debentures of the Company.

For and on behalf of Board of Directors
Fedbank Financial Services Limited



Anil Kothuri
Managing Director & CEO
DIN: 00177945

Place: Mumbai
Date : January 15, 2024

Annexure I- Security Cover as at 31.12.2023

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance)	Market Value for Pari passu charge Assets	Carrying value /book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not)	Total Value (A+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value							Relating to Column F	
ASSETS														
Property, Plant and Equipment				No	NA	-	30.39	-	30.39					
Capital Work-in-Progress				No	NA	-	0.67	-	0.67					
Right of Use Assets				No	NA	-	113.85	-	113.85					
Goodwill				No	NA	-	-	-	-					
Intangible Assets				No	NA	-	4.18	-	4.18					
Intangible Assets under Development				No	NA	-	-	-	-					
Investments	Government securities & Mutual Funds			No	-	-	479.41	-	479.41					
Loans	Loan Portfolio			Yes	7,972.87	-	772.06	-	8,744.93				7,972.87	7,972.87
Inventories				No	NA	-	NA	-	-					
Trade Receivables				No	NA	-	27.18	-	27.18					
Cash and Cash Equivalents	Cash and Cash Equivalents			Yes	518.55	-	578.14	-	1,096.69				518.55	518.55
Bank Balances other than Cash and Cash Equivalents				No	-	-	-	-	-					
Others				No	-	-	156.64	-	156.64					
Total					8,491.42		2,162.52		10,653.94				8,491.42	8,491.42
LIABILITIES														
Debt securities to which this certificate pertains	Non - Convertible Debentures			Yes	314.54	-	-	-	314.54					
Other debt sharing pari-passu charge with above debt				No	NA	-	-	-	-					
Other Debt				No	NA	-	-	-	-					
Subordinated debt				No	NA	-	454.36	-	454.36					
Borrowings														
Bank				No	6,554.92	-	-	-	6,554.92					
Debt Securities				No	NA	-	98.35	-	98.35					
Others				No	541.01	-	25.69	-	566.70					
Trade payables				No	NA	-	5.95	-	5.95					
Lease Liabilities				No	NA	-	128.98	-	128.98					
Provisions				No	NA	-	8.30	-	8.30					
Others				No	NA	-	358.13	-	358.13					
Total					7,410.47		1,079.76		8,490.24					
Cover on Book Value					1.10									
Cover on Market Value														
		Exclusive Security cover ratio			Pari-passu security cover ratio									

Notes:

1. Loan portfolio mentioned in the column F represents Stage 1 and Stage 2 loans as defined in Ind AS 109.
2. Column F includes book value of all assets having pari passu charge and outstanding book value of corresponding debt.
3. The value mention in Column F, H and J in respect to loans is net of provision made as per Ind AS 109.
4. Since market value of such loans are not readily available, the value disclose in column N are the book value.
5. Amounts are in INR crore.



For Fedbank Financial Services Limited.

Authorised Signatory

V. Ganesh

Annexure II: Quarterly compliance with respect to listed debt securities outstanding as at 31 Dec 2023

Part A- Financial Covenant
Secured Non-Convertible Debentures
ISIN: INE007N07041
Date of Trustdeed: 23 June 2023

Sr.No	Covenant Name	Covenant Description	Actual Ratio	Covenant Compliance Status
1	Capital to risk weighted assets ratio ("CRAR")	The company shall maintain a minimum Capital Risk Adequacy Ratio of 16% (Sixteen Percent) at all times, until the Final Settlement Date	25.79%	Complied
2	Net Non performing Asset ("NNPA")	Net NPA on the standalone basis not to exceed 4% during the tenor of the debentures	1.66%	Complied
3	Gross Non performing Asset ("GNPA")	Gross NPA on the standalone basis not to exceed 5% during the tenor of the debentures	2.19%	Complied
4	Total outstanding liability to Adjusted tangible net worth *	Total outstanding liability to Adjusted tangible net worth is not more than 7.0	5.34	Complied

* Calculated based on audited figures
ie For 31 March 2023

Secured Non-Convertible Debentures -Market Linked Debentures
ISIN: INE007N07033
Date of Trustdeed: 04 January 2023

Sr No	Covenant Name	Covenant Description	Actual Ratio	Covenant Compliance Status
1	Capital to risk weighted assets ratio ("CRAR")	The Company shall maintain capital adequacy ratio (Tier I capital and Tier II capital) as per the requirement of RBI.	25.79%	Complied
2	Net Non performing Asset ("NNPA")	Net NPA on the standalone basis not to exceed 5% of the assets under management (book value of the assets only) during the tenor of the debentures	1.66%	Complied
3	Debt to Equity Ratio	Total Debt to Equity ratio to be within 6.5	3.69	Complied

Unsecured Non-Convertible Debentures
ISIN: INE007N08015
Date of Trustdeed: 24 December 2020

Unsecured Non-Convertible Debentures
ISIN: INE007N08023
Date of Trustdeed: 26 May 2023

There are no financial covenant

Part B - Other Covenants

Compliance of all the covenants/terms of the issue in respect of listed debt securities outstanding as at 31 December 2023 of the listed entity and development post 31 December 2023.

The Company's equity shares have been listed on National Stock Exchange ("NSE") and on BSE Limited ("BSE") on November 30, 2023 on account of completion of the Initial Public Offering ("IPO") consisting of fresh issue of 4,28,81,148 equity shares amounting to Rs. 60,000 lakhs and through an offer for sale of 3,51,61,723 equity shares amounting to Rs.49,226 lakhs. The Company has Non-convertible Debentures listed on the debt segment of BSE. As a debt listed Company, pursuant to Regulation 52 of the Listing Regulations, the Company is required to publish quarterly financial results within 45 days from the completion of the quarter. Due to the aforesaid IPO process, the submission of the unaudited limited review results for the quarter and half year ended September 30, 2023 got delayed and were submitted subsequent to the results being approved by the Board of Directors at its board meeting held on December 11, 2023. The delayed filing of the unaudited limited review results for the quarter and half year ended September 30, 2023 had also led to a delay in submission of quarterly financial results to its lenders attracting breach in one of the non-financial (Information) covenants. Some debenture holders of one of the debenture series have informed the concerned debenture trustee to take further action as per Debenture Trustee Deed based on which the debenture trustees had convened a meeting of the debenture-holders of that particular series on January 2, 2024 to arrive at a consensus on either condoning the delay upto December 11, 2023 for submitting unaudited limited review results or decide on any action to be taken including accelerated repayment and default interest. Subsequent to intimation of the results of the voting, the Company on January 10, 2024 informed to the Debenture Trustee's of the Company's view, that since the prescribed majority required to be obtained as per "Chapter X: Breach of Covenants, Default and Remedies" forming part of the "MasterCircular for Debenture Trustees" dated March 31, 2023, as amended from time to time ("SEBI Defaults (Procedure) Circular") and the Debenture Trust Deed for making a decision, has not been obtained, no tenable grounds exist for proceeding with any subsequent cause of action in this matter.

Except for the above, the management of the listed entity has ensured compliance in respect of other covenants for the listed debt securities (NCD's) and certify that such covenants have been complied by the listed entity.

For Fedbank Financial Services Limited.


Authorised Signatory



STATEMENT ON DEVIATION OR VARIATION FOR PROCEEDS OF PUBLIC ISSUE:

Statement on deviation / variation in utilisation of funds raised

Name of listed entity	Fedbank Financial Services Limited					
Mode of Fund Raising	Public Issue					
Date of Raising Funds	29 th November 2023					
Amount Raised	INR 1092.26 Crores					
Report filed for Quarter ended	31 st December 2023					
Monitoring Agency	Applicable – ICRA Limited					
Is there a Deviation / Variation in use of funds raised	No					
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not applicable					
If Yes, Date of shareholder Approval	Not applicable					
Explanation for the Deviation / Variation	Not applicable					
Comments of the Audit Committee after review	Reviewed and no comments by the Audit Committee					
Comments of the auditors, if any	Not applicable					
Objects for which funds have been raised and where there has been a deviation, in the following table	<p>The Net Proceeds are proposed to be utilized towards augmentation of our Company's Tier I capital base to meet the company's future capital requirements which is expected to arise out of growth in the Company's business and assets.</p> <p>There has been no deviation in utilization of net proceeds</p>					
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
Not applicable - There has been no deviation in utilization of net proceeds						

Deviation or variation could mean:

- Deviation in the objects or purposes for which the funds have been raised or
- Deviation in the amount of funds actually utilized as against what was originally disclosed or
- Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc.

Name : C.V Ganesh
 Designation : Chief Financial Officer

