

Date: 12<sup>th</sup> August, 2022

To,

The General Manager  
Compliance Dept.  
BSE Limited  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001

Company Code: 12337

Sub: Outcome of the Board meeting and approval of Unaudited Financial results under IND AS for the quarter ended June 30, 2022 pursuant to provisions of the SEBI (LODR) Regulations, 2015.

Dear Sir/Madam,

Pursuant to the provisions of Regulations 51, 52 and 54 read with Part B of 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 August 12, 2022 has inter- alia approved the following:

1. Unaudited Financial results under IND AS for the quarter ended June 30, 2022 which was duly approved and taken on record by the Board of Directors. The said results were reviewed and recommended by the Audit Committee at its meeting held prior to the Board Meeting.
2. Limited review Report by the M/s. BSR & Co. LLP, Statutory Auditors, on the Unaudited Financial Results for the quarter ended June 30, 2022. Further M/s BSR & Co. LLP, Statutory Auditors of the Company has issued unmodified opinion on the Unaudited results for the quarter ended June 30, 2022.
3. Disclosures in accordance with Regulation 52(4) of SEBI Regulations.
4. Disclosures in accordance with Regulation 54 of SEBI Regulations.
5. Appointment of Mr. Peruvemba Ramachandran Seshadri (Din: 07820690) as Additional Director in the capacity of Independent Director.

Further, in accordance with Regulation 52 of the SEBI Regulations, the Company would be publishing the Unaudited Financial Results for the quarter ended June 30, 2022 in Business Standard newspaper within 2 working days of the conclusion of the said meeting. We further confirm that the Company does not

meet the criteria for being a "Large Corporate" as on June 30, 2022 pursuant to the SEBI Operational Circular No. SEBI/HO/DDHS/P/CIR/2021/613 and therefore mandatory borrowings and compliance disclosures are not applicable to the Company.

The Board meeting is concluded at 04.25 p.m.

We request you to please take the above on records.

Thanking you,

**Yours Faithfully**  
**For Fedbank Financial Services Limited**

  
**S. Rajaraman**  
**Company Secretary & Compliance Officer**  
**Membership No.:F3514**

Statement of Unaudited Financial Results for the Quarter Ended June 30, 2022

INR in Lakhs

Sl.No.	Particulars	For the Quarter ended June 30, 2022	For the Quarter ended June 30, 2021	For the Quarter ended March 31, 2022	For the Year ended March 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	<b>Revenue from Operations</b>				
	(a) Interest Income	23,361	19,573	23,227	82,189
	(b) Fee and Commission Income	1,225	472	1,370	4,289
	(c) Net Gain on fair value changes	164	133	117	454
	<b>I Total Revenue from Operations</b>	<b>24,750</b>	<b>20,178</b>	<b>24,714</b>	<b>86,932</b>
	II Other Income	854	12	662	1,432
	<b>III Total Income (I + II)</b>	<b>25,604</b>	<b>20,190</b>	<b>25,376</b>	<b>88,364</b>
	<b>Expenses</b>				
	(a) Finance cost	9,784	8,762	9,114	34,765
	(b) Fees and commission expenses	443	231	467	1,470
	(c) Impairment on financial instruments and other receivable	959	6,088	1,691	8,388
	(d) Employee benefit expense	5,694	3,896	4,702	17,541
	(e) Depreciation and amortisation expense	943	669	1,098	3,670
	(f) Other expenses	1,981	1,492	2,753	8,609
	<b>IV Total Expenses</b>	<b>19,804</b>	<b>21,138</b>	<b>19,825</b>	<b>74,443</b>
	<b>V Profit / (Loss) before tax (III-IV)</b>	<b>5,800</b>	<b>(948)</b>	<b>5,551</b>	<b>13,921</b>
	<b>VI Tax expense</b>	<b>1,424</b>	<b>(184)</b>	<b>1,377</b>	<b>3,575</b>
	Current tax	1,644	1,474	1,483	4,710
	Deferred tax	(220)	(1,658)	(106)	(1,135)
	<b>VII Net Profit / (Loss) for the period/year (V-VI)</b>	<b>4,376</b>	<b>(764)</b>	<b>4,174</b>	<b>10,346</b>
	<b>VIII Other Comprehensive Income</b>	<b>264</b>	<b>8</b>	<b>59</b>	<b>68</b>
	(a) Items that will not be reclassified to profit or loss				
	(i) Re-measurement of net defined benefit plan	8	11	80	92
	(ii) Income tax related to Items that shall not be reclassified to profit and loss	(2)	(3)	(21)	(24)
	<b>Total</b>	<b>6</b>	<b>8</b>	<b>59</b>	<b>68</b>
	(b) Items that will be reclassified to profit or loss				
	(i) Fair value gain / loss - OCI - Loans	349	-	-	-
	(ii) Tax effect on Fair value gain / loss - OCI - Loans	(91)	-	-	-
	<b>Total</b>	<b>258</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>IX Total Comprehensive Income (VII+VIII)</b>	<b>4,640</b>	<b>(756)</b>	<b>4,233</b>	<b>10,414</b>
	<b>X Earnings Per Share (Face Value of Rs. 10/- each)#</b>				
	- Basic (Rs.)	1.36	(0.26)	1.30	3.32
	- Diluted (Rs.)	1.36	(0.26)	1.30	3.31

# EPS for the period is not annualised

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

Anil Kothuri  
Managing Director & CEO  
DIN:00177945

Place : Mumbai  
Date : August 12, 2022

**Notes:**

- 1 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.
- 2 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 52 and regulation 33 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 SEBI/HO/DDHS/P/CIR/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.
- 3 The aforesaid unaudited financial results have been approved by the Board of Directors at its meeting held on August 12, 2022 after review by the Audit Committee. The statutory auditors have issued an unmodified audit opinion on the aforesaid unaudited financial results for the quarter ended June 30, 2022.
- 4 The figures for the quarter ended March 31, 2022 of the previous year are the balancing figures between audited figures in respect of the full financial year ended March 31, 2022 and the published year-to-date figures up to the end of third quarter of the previous financial year which were subjected to limited review by the statutory auditors.

Notes: Continued

5 Asset cover available: The Company has secured NCDs of Rs 187.5 Crs (face value) outstanding at March 31, 2022 which are secured by way of first ranking pari passu charge over the eligible receivables & Current assets to the extent of security cover of 1.10 times of the Obligations.

6 Segment Information

(INR in Lakhs)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
	June 30, 2022	June 30, 2021	Mar 31, 2022	Mar 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>(i) Segment Revenue</b>				
Retail Finance	23,521	18,988	23,531	81,582
Wholesale Finance	97	228	9	1,303
Distribution	704	467	821	2,603
Unallocated	1,282	507	1,015	2,876
Less: Inter Segment Revenue	-	-	-	-
<b>Income from Operations</b>	<b>25,604</b>	<b>20,190</b>	<b>25,376</b>	<b>88,364</b>
<b>(ii) Segment Result</b>				
Retail Finance	5,465	(524)	5,856	14,760
Wholesale Finance	(139)	(189)	(511)	(1,069)
Distribution	33	15	33	123
Unallocated	441	(250)	173	107
<b>Profit before tax</b>	<b>5,800</b>	<b>(948)</b>	<b>5,551</b>	<b>13,921</b>
<b>(iii) Capital Employed</b>				
<b>Segment Assets</b>				
Retail Finance	6,89,290	4,99,930	6,45,861	6,45,861
Wholesale Finance	6,286	15,182	4,967	4,967
Distribution	620	560	401	401
Unallocated	4,240	3,957	4,342	4,342
<b>Total Assets</b>	<b>7,00,436</b>	<b>5,19,629</b>	<b>6,55,571</b>	<b>6,55,571</b>
<b>Segment Liabilities</b>				
Retail Finance	5,74,757	4,04,752	5,33,368	5,33,368
Wholesale Finance	4,968	11,688	6,487	6,487
Distribution	460	331	364	364
Unallocated	-	-	-	-
<b>Total Liabilities</b>	<b>5,80,185</b>	<b>4,16,771</b>	<b>5,40,219</b>	<b>5,40,219</b>
<b>(Segment assets - Segment Liabilities)</b>				
Retail Finance	1,14,533	95,178	1,12,493	1,12,493
Wholesale Finance	1,318	3,493	(1,520)	(1,520)
Distribution	160	229	37	37
Unallocated	4,240	3,957	4,342	4,342
<b>Net Segment assets / (liabilities)</b>	<b>1,20,251</b>	<b>1,02,857</b>	<b>1,15,352</b>	<b>1,15,352</b>

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

## Notes: Continued

## 7 Disclosure as per Regulation 52(4) of SEBI (Listing Obligation &amp; Disclosure Requirement) Regulation, 2015

Particulars	As at	As at	As at
	June 30, 2022	Mar 31, 2022	Jun 30, 2021
Debt-Equity Ratio <sup>2</sup>	4.57	4.35	3.85
Outstanding redeemable preference shares (quantity and value)	NA	NA	NA
Capital redemption reserve (INR in Lakhs)	200	200	NA
Debenture redemption reserve	NA	NA	NA
Current liability ratio <sup>3</sup>	0.41	0.40	0.38
Total debts to total assets	0.78	0.77	0.76
Net worth <sup>4</sup> (INR in Lakhs)	1,20,252	1,15,352	1,02,782
Sector specific equivalent ratios			
- CRAR	21.00%	23.04%	27.05%
- Gross Non Performing Assets (GNPA) <sup>5</sup>	2.05%	2.23%	3.09%
- Net Non Performing Assets (NNPA) <sup>6</sup>	1.57%	1.75%	2.05%
- Provision Coverage Ratio (PCR) <sup>7</sup>	23.72%	22.07%	34.43%

Particulars	Quarter ended			Year ended
	June 30, 2022	June 30, 2021	March 31, 2022	Mar 31, 2022
Net profit margin (%)	17.09%	(3.78%)	16.45%	11.71%
Net Profit after tax (INR in Lakhs)	4,376	(764)	4,174	10,346
Earning Per Share ('EPS') - Not annualised				
- Basic	1.36	(0.26)	1.30	3.32
- Diluted	1.36	(0.26)	1.30	3.31

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]

8 Details of loans transferred / acquired during the quarter ended June 30, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(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 loans not in default transferred through Assignment are given below:

Particulars	Amount
Aggregate amount of Loan transferred (Rs. in lakhs)	7,819
Weighted average residual maturity (in months)	100
Weighted average holding period by originator (in months)	17
Retention of beneficial economic interest	10%/20%
Coverage of tangible security coverage (in %)	64%
Rating-wise distribution of rated loans	NA

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

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

9 The figures for the corresponding quarter ended June 30, 2021, as reported in these unaudited financial results have been approved by the Company's Board of Directors, but have not been subjected to review/audit by current or predecessor auditor since the requirement of submission of quarter figures of the previous year has become mandatory with effect from quarter ending on or after September 30, 2021.

10 Previous period / year figures have been regrouped / reclassified, wherever found necessary, to conform to current year classification.

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

Anil Kothuri  
Managing Director & CEO  
DIN: 00177945

Place: Mumbai  
Date : August 12, 2022

# B S R & Co. LLP

Chartered Accountants

14th Floor, Central Wing B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway, Goregaon (East),  
Mumbai – 400 063

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 30 June 2022 pursuant to Regulation 52 and Regulation 33 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**

**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 (“the Company”) for the quarter ended 30 June 2022 (“the Statement”).

Attention is drawn to the fact that the figures for the corresponding quarter ended 30 June 2021, as reported in these unaudited financial results have been approved by the Company’s Board of Directors, but have not been subjected to audit/review by us or predecessor auditor since the requirement of submission of quarterly financial results has become mandatory with effect from quarter ending on or after 30 September 2021.

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 52 and Regulation 33 of the 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. 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:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

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

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 recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 and Regulation 33 of the Securities and Exchange Board of India of the SEBI (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 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.
  
5. The Statement includes the results for the quarter ended 31 March 2022 being the balancing figure between the audited figures in respect of the full financial year ended 31 March 2022 audited by us and the published unaudited year to date figures up to the third quarter of the previous financial year which were subject to limited review by us.

Our conclusion is not modified in respect of this matter.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No.:101248W/W-100022



**Ashwin Suvarna**  
*Partner*

Membership No.: 109503  
UDIN: 22109503AOWKEN9577

Mumbai  
12 August 2022