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NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY OUTSIDE INDIA.
Initial Public Offer of equity shares on the main board of the Stock Exchanges in compliance with Chapter II of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").



(Please scan this QR code to view the Red Herring Prospectus)

FEDBANK FINANCIAL SERVICES LIMITED

Our Company was incorporated as 'Fedbank Financial Services Limited' on April 17, 1995 in Kerala at Kochi as a public limited company under the Companies Act, 1956, and was granted a certificate of incorporation by the Registrar of Companies, Kerala at Kochi. Our Company received a certificate of commencement of business issued by the Registrar of Companies, Kerala at Kochi dated July 17, 1995. Subsequently, pursuant to a change in our registered office by way of a resolution passed by our shareholders on February 10, 2021, a certificate of registration in relation to the change of state was issued by the Registrar of Companies, Maharashtra at Mumbai on July 26, 2021. For further details on the change in the registered office of our Company, see "History and Certain Corporate Matters" on page 243 of the Red Herring Prospectus. Our Company is registered with the Reserve Bank of India ("RBI") to carry on the business of a non-banking financial institution without accepting public deposits (certificate of registration no. N-16.00187). For details, see "Government and Other Approvals" on page 437 of the Red Herring Prospectus dated November 16, 2023 filed with RoC ("RHP" or "Red Herring Prospectus").

Registered and Corporate Office: Kanakia Wall Street, A Wing, 5th Floor, Unit No. 511, Andheri Kurla Road, Andheri (East), Mumbai - 400 093, Maharashtra, India. Tel: +91 22 6852 0601; Website: www.fedfina.com; Contact Person: Rajaraman Sundaresan, Company Secretary and Compliance Officer; E-mail: cs@fedfina.com

Corporate Identity Number: U65910MH1995PLC364635

OUR PROMOTER: THE FEDERAL BANK LIMITED

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF FEDBANK FINANCIAL SERVICES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 6,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 35,161,723 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION (THE "OFFER FOR SALE").

THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹100 MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY IN CONSULTATION WITH THE BRLMS, MAY OFFER A DISCOUNT OF UP TO [●] (EQUIVALENT OF ₹[●] PER EQUITY SHARE) OF THE OFFER PRICE TO ELIGIBLE EMPLOYEE BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), SUBJECT TO NECESSARY APPROVALS AS MAY BE REQUIRED. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE [●] AND [●] OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL, RESPECTIVELY.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS, AND THEIR RESPECTIVE WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF SELLING SHAREHOLDER	TYPE	NO. OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*
The Federal Bank Limited	Promoter	Up to 5,474,670 Equity Shares aggregating up to ₹[●] million	19.34
True North Fund VI LLP	Investor Selling Shareholder	Up to 29,687,053 Equity Shares aggregating up to ₹[●] million	45.22

*As certified by M/s R U Kamath & Co by way of their certificate dated November 16, 2023.

We are a systemically important non-banking financial company ("NBFC ND-SI") registered with RBI. Our products includes mortgage loans such as housing loans; small ticket loan against property; and medium ticket loan against property, unsecured business loans, and gold loans. We are a retail focused non-banking financial company catering to the micro, small and medium enterprises and emerging self-employed individuals sectors.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations
QIB Portion: Not more than 50% of the Net Offer | Non-Institutional Portion: Not less than 15% of the Net Offer | Retail Portion: Not less than 35% of the Net Offer
Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹ 100 Million

PRICE BAND: ₹ 133 TO ₹ 140 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 13.30 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 14.00 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE/EARNINGS RATIO BASED ON DILUTED EPS FOR FINANCIAL YEAR 2023 FOR THE COMPANY AT THE UPPER END OF THE PRICE BAND IS AS HIGH AS 25.04 AS COMPARED TO AVERAGE INDUSTRY PEER GROUP PE RATIO OF 25.57.

BIDS CAN BE MADE FOR A MINIMUM OF 107 EQUITY SHARES AND IN MULTIPLES OF 107 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹ 10 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated November 16, 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on pages 111 to 122 of the RHP

In making an investment decision, potential investors must rely on the information included in the RHP and the terms of the Offer, including the risks involved and not rely on any other external sources of information about the Offer available in any manner.

RISKS TO INVESTORS

Weighted average cost of acquisition of all shares transacted in three years, eighteen months and one year immediately preceding the Red Herring Prospectus.

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year	52.44	2.67	30.00 – 72.37
Last eighteen months	51.79	2.70	30.00 – 72.37
Last 3 years	65.30	2.14	30.00 – 72.37

*As certified by M/s R U Kamath & Co by way of their certificate dated November 16, 2023

Business Risk

1. Though we have experienced growth in recent years, we may not be able to sustain our growth or manage it effectively or execute our growth strategy effectively. The following table sets forth our total revenue, profit after tax, asset under management ("AUM"), number of branches and their respective year-on-year growths for the periods indicated:

Particulars	As of and for three-months period ended June 30,		Year-on-Year growth June 2023 v. June 2022	As of and for Fiscal			Year-on-Year growth	
	2023	2022		2023	2022	2021	2023 v. 2022	2022 v. 2021
Total Revenue (₹ in million)	3,678.68	2,560.48	43.67%	12,146.80	8,836.37	6,975.66	37.46%	26.67%
Profit after Tax (₹ in million)	538.83	437.57	23.14%	1,801.33	1,034.59	616.84	74.11%	67.72%
AUM (₹ in million)	94,342.08	66,444.22	41.56%	90,696.04	61,872.04	48,624.31	46.59%	27.25%
Number of Branches	584	516	13.18%	575	516	359	11.43%	43.73%

2. Our business depends on a well-regarded and widely known brand, as well as the brand and reputation of our Promoter, Federal Bank, and the Federal Bank group entities, and any failure to maintain, protect and enhance our brand would harm our business.

3. Our business and operations are dependent on our ability to timely access cost effective sources of funding. Disruption in

our sources of funding could have an adverse effect on our business, results of operations and financial condition.

4. We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.

5. A significant portion of our business is derived from our gold. As we handle high volumes of cash and gold jewelry in a

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dispersed network of branches, we are exposed to operational risks, including employee negligence, fraud, petty theft, burglary and embezzlement, which could harm our results of operations and financial position.

6. Our inability to adequately assess and recover the assessed or full value of property collateral or amounts outstanding under defaulted mortgage loans in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.
7. We may be unable to maintain the quality of our loan portfolio or manage the growing loan portfolio which may result in significantly larger non-performing assets and provisions
8. Conflicts of interest may arise out of certain common business objectives shared by our Promoter and us.
9. After the completion of the Offer, our Promoter may be able to exert significant influence over our Company which may limit your ability to influence the outcome of matters submitted for approval of our Shareholders

Concentration Risk:

10. We have a huge concentration of loans to emerging self-employed individuals (“ESEI”) and micro, small and medium enterprises (“MSME”), and as of June 30, 2023, ESEI and MSME comprise 45.22% and 64.75% of our total loan profiles, respectively. The risk of non-payment or default by our borrowers may adversely affect our business, results of operations and financial condition.
11. As on June 30, 2023, 93.65% of our gross AUM was located in Gujarat, Maharashtra, Telangana, Andhra Pradesh, Tamil Nadu, Karnataka, Puducherry and Delhi. Accordingly, our operations are concentrated in six states and two union territories and any adverse developments in these regions could have an adverse effect on our business and results of operations.

Finance Risk:

12. Our inability to maintain our capital adequacy ratio could adversely affect our business, results of operations and our financial performance. As per the NBFC Scale Based Directions, we are required to maintain CRAR of not less than 15.00% of aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items. As of June 30, 2023, our CRAR was 19.71%.
13. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.
14. We have had negative cash flows in the past and may continue to have negative cash flows in the future.

Regulatory and Litigation

15. We are subject to periodic inspections by The Reserve Bank of India (“RBI”). In the past, the RBI has imposed penalties for certain non-compliances with its observations. Non-compliance with the observations of the RBI could adversely affect our business, financial condition, results of operations and cash flows.
16. We operate in a highly regulated industry, and we have to

adhere to various laws, rules and regulations. Accordingly, legal and regulatory risks are inherent and substantial in our business. Any changes in the laws, rules and regulation applicable to us may adversely affect our business, financial condition and results of operations.

17. There are pending litigations against our Company and our Promoter. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, cash flows and reputation.
18. The Company will not receive any proceeds from the Offer for Sale.
19. We are subject to competition with commercial, regional rural and cooperative banks and if we do not compete effectively with such entities, our business, results of operations, cash flows and financial condition could be adversely affected.
20. Weighted average cost of acquisition compared to Floor Price and Cap Price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price	Cap Price
Based on the Primary Transactions	70.00	1.90	2.00

21. Weighted Average Return on Net Worth for Fiscals 2023, 2022 & 2021 is 10.87%
22. Average cost of acquisition of Equity Shares for the Selling Shareholders namely, The Federal Bank Limited is ₹ 19.34 and True North Fund VI LLP is ₹ 45.22 and Offer Price at upper price Band is ₹140.00
23. The Offer Price, market capitalization to total turnover and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of our Company on listing or thereafter.
24. Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop.
25. Company has issued Equity Shares during the preceding one year at a price that may be below the Offer Price.
26. The four BRLMs associated with the Offer have handled 74 public issues in the past three financial years, out of which 20 issues closed below the offer price on listing date.

Name of the BRLMs	Total public issues	Issues closed below the issue price on listing date
ICICI Securities Limited*	24	8
BNP Paribas*	0	0
Equirus Capital Private Limited*	4	1
JM Financial Limited*	19	3
Common issues handled by the BRLMs	27	8
Total	74	20

*Issues handled where there were no common BRLMs

**BID/OFFER
PROGRAMME**

ANCHOR INVESTOR BIDDING DATE : TUESDAY, NOVEMBER 21, 2023⁽¹⁾

BID/OFFER OPENS ON : WEDNESDAY, NOVEMBER 22, 2023

BID/OFFER CLOSING ON : FRIDAY, NOVEMBER 24, 2023[^]

⁽¹⁾ Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid shall be one Working Day prior to the Bid/Offer Opening Date.
[^] UPI mandate end time shall be at 5:00 PM on Bid/Offer Closing Date.

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BASIS FOR OFFER PRICE

(₹ in million, unless otherwise specified)

The Offer Price and Employee Discount, if any, will be determined by our Company in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is 13.30 times the face value at the lower end of the Price Band and 14.0 times the face value at the higher end of the Price Band. Investors should refer to "Risk Factors", "Our Business", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 27, 201, 297 and 398, of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors: Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows: • Our presence in large, underpenetrated markets with strong growth potential. • Our focus on retail loan products with a collateralized lending model targeting individuals and the emerging MSME sector. • Strong underwriting capability and presence in select customer segment combined with robust risk management capabilities focused on effective underwriting and collections. • Experienced, cycle tested management team. • Well diversified funding profile with an advantage of lower cost of funds. • Technology driven company with scalable operating model. For details, see "Our Business – Our Competitive Strengths" on page 202 of the RHP.

Quantitative Factors: Some of the information presented below relating to our Company is derived from the Restated Financial Information. For details, see "Restated Financial Information" and "Other Financial Information" on pages 297 and 397, of the RHP, respectively. Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings Per Equity Share ("EPS") (face value of each Equity Share is ₹10):

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2023	5.60	5.59	3
March 31, 2022	3.32	3.31	2
March 31, 2021	2.19	2.18	1
Weighted Average	4.27	4.26	
For the three-months period ended June 30, 2023*	1.67	1.67	-
For the three-months period ended June 30, 2022*	1.36	1.36	-

* Not annualised.

Notes:

- The face value of each Equity Share is ₹ 10.
- Basic Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of equity shares outstanding during the year.
- Diluted Earnings per share = Net profit after tax (loss after tax) as restated / Weighted average number of potential equity shares outstanding during the year.
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year / Total of weights.

B. Price/Earning ("P/E") ratio in relation to Price Band of ₹133 to ₹140 per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for period ended March 31, 2023	23.75	25.00
Based on diluted EPS for period ended March 31, 2023	23.79	25.04

C. Industry Peer Group P/E ratio

	P/E Ratio (x)
Highest	48.33
Lowest	8.06
Average	25.57

Notes:

- The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below.
- P/E figures for the peer are computed based on closing market price as on November 6, 2023 on the BSE, divided by Basic EPS (on consolidated basis unless otherwise available only on standalone basis) based on the financial results of the respective company for the year ended March 31, 2023 submitted to stock exchanges.

D. Return on Net Worth ("RoNW")

Fiscal/Period ended	RoNW (%)	Weight
June 30, 2023*	3.81	-
June 30, 2022*	3.64	-
March 31, 2023	13.29	3
March 31, 2022	8.97	2
March 31, 2021	7.39	1
Weighted Average	10.87	

* Not annualised.

- Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / (Total of weights)
- Return on Net Worth (%) = Net profit after tax, as restated / Net worth as restated as at year end.
- Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium account as per Restated Financial Statements of Assets and Liabilities of the Company.

E. Net Asset Value ("NAV") per Equity Share of ₹ 10 each

Financial Year/Period	Amount (₹)
As on March 31, 2023	42.11
As on June 30, 2023	43.95
After the completion of the Offer	
- At the Floor Price	54.89*
- At the Cap Price	55.23*
Offer Price	[*]

* Net Asset Value per equity share represents net worth as at the end of the financial year/period, as restated, divided by the number of Equity Shares outstanding at the end of the period/year. Adjusted net worth has been calculated as sum of net worth as on June 30, 2023 and additional equity share capital and securities premium raised pursuant to proposed Offer.

Notes:

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Net worth as restated / Number of equity shares as at year end

F. Key Performance Indicators

The tables below set forth the details of certain financial data based on our Restated Financial Information, certain non-GAAP measures and key performance indicators ("KPIs") that our Company considers have a bearing for arriving at the basis for Offer Price. All the financial data based on our Restated Financial Information, certain non-GAAP measures and KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated November 6, 2023.

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:

Particulars	As at and for the three-months period ended June 30, 2023	As at and for the three-months period ended June 30, 2022	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022	As at and for the financial year ended March 31, 2021
Capital					
Shareholder Equity	14,149.03	12,025.27	13,556.82	11,535.18	8,347.34
Capital Adequacy Ratio	19.71%	20.90%	17.94%	23.04%	23.52%
Profitability					
Total Revenue	3,678.68	2,560.48	12,146.80	8,836.37	6,975.66
Net Interest income	1,776.47	1,357.78	6,380.18	4,742.41	3,449.17
Fee and Other income	207.32	207.89	918.90	572.07	374.77
Profit After Tax	538.83	437.57	1,801.33	1,034.59	616.84
Profit After Tax (%)	14.65%	17.09%	14.83%	11.71%	8.84%
NPA / Asset Quality					
Gross NPA (%)	2.26%	2.05%	2.03%	2.23%	1.01%
Net NPA (%)	1.76%	1.57%	1.59%	1.75%	0.71%
Earning per share*					
Basic	1.67	1.36	5.60	3.32	2.19
Diluted	1.67	1.36	5.59	3.31	2.18

* Profit After Tax (%) represents the Profit after tax for a period to the Total Revenue for the period, represented as a percentage.

* Not annualised.

For reconciliation of certain non-GAAP measures, see "Selected Statistical Information" on page 276 of the RHP.

Further, the following KPIs have been certified by M/s R U Kamath & Co, Chartered Accountants, independent chartered accountants, pursuant to their certificate dated November 16, 2023, for the indicated periods:

A list of our KPIs for the three-months periods ended June 30, 2023 and June 30, 2022 and for Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 are set out below:

Comparison of our KPIs with listed industry peers for the Financial Years included in the Restated Financial Information

The following table provides a comparison of the KPIs of our Company with our peer group. The peer group has been determined on the basis of companies listed on Indian stock exchanges and globally, whose business profile is comparable to our businesses in terms of our size and our business model:

Particulars	Fedbank Financial Services Limited		Five Star Business Finance		Aptus Value Housing Finance		Muthoot Finance		Manappuram Finance		IIFL Finance		SBFC Finance								
	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022							
Scale																					
AUM ⁽¹⁾	90,696.04	61,872.04	48,624.31	69,148.0	50,670.8	44,453.8	67,380	51,800	40,680	632,098	580,532	526,223	354,523*	302,608*	272,242*	646,380*	512,100*	446,880*	49,428.23	31,921.81	22,213.23
AUM Growth ⁽²⁾ (%)	46.59%	27.25%	26.68%	36.47%	13.99%	14.00%	30.08%	27.34%	27.80%	8.88%	10.32%	26.46%	17.15%	11.25%	7.92%	26.22%	14.59%	17.75%	54.84%	43.71%	34.77%
Capital																					
Shareholder Equity ⁽³⁾	13,556.82	11,535.18	8,347.34	43,395.35	37,103.51	23,181.72	33,393.30	29,161.60	19,794.50	210,619	1,83,445	152,389	89,799.08	79,428.78	69,017.30	51,149.10	44,269.00	38,207.32	17,272.68	12,871.67	12,051.08
Capital Adequacy Ratio ⁽⁴⁾	17.94%	23.04%	23.52%	67.17%	75.20%	58.86%	80.79%	85.61%	73.63%	31.77%	29.97%	27.39%	31.70%	31.33%	29.02%	20.4%	23.85%	25.40%	31.90%	26.21%	26.25%
Total Borrowings to Shareholder Equity ratio ⁽⁵⁾	5.26	4.35	5.18	0.98	0.69	1.48	1.13	0.93	1.27	2.36	2.72	3.02	2.14	2.26	2.56	3.40	3.67	4.27	2.17	2.29	2.30
Cost of Borrowings ⁽⁶⁾	7.77%	7.44%	8.30%	-	-	-	-	-	-	7.43%	8.01%	8.89%	8.07%	7.83%	9.75%	8.66%	9.93%	10.14%	8.22%	7.65%	8.11%
Profitability																					
Total Revenue ⁽⁷⁾	12,146.80	8,836.37	6,975.66	15,289.28	12,561.69	10,512.55	11,289.99	8,402.10	6,582.00	105,437	110,984	105,744	48,268.58	45,869.97	51,935.15	40,886.90	40,892.50	34,362.05	7,403.61	5,307.02	5,115.33
Net Interest Income ⁽⁸⁾	6,380.18	4,742.41	3,449.17	12,325.33	9,031.60	6,896.85	7,824.90	5,830.80	4,203.20	66,895	71,203	66,361	32,425	31,476	34,178	20,124.60	19,482.00	15,154.16	3,789.38	2,542.41	2,269.03
Fee and Other Income ⁽⁹⁾	918.90	572.07	374.77	301.44	524.09	363.79	705.99	485.50	313.50	1,751	1,424	2,458	859.44	476.29	557.41	6,202.70	5,254.40	3,658.14	862.09	575.55	483.67
Profit After Tax ⁽¹⁰⁾	1,801.33	1,034.59	616.84	6,034.96	4,535.45	3,589.94	5,030.10	3,701.40	2,669.40	34,735	39,543	37,222	12,662.63	13,045.37	16,979.19	8,054.90	7,454.80	3,425.77	1,497.96	645.21	850.10
Profit After Tax (%) ⁽¹¹⁾	14.83%	11.71%	8.84%	39.47%	36.11%	34.15%	44.55%	44.05%	40.56%	32.94%	35.63%	35.20%	26.23%	28.44%	32.69%	19.70%	18.23%	9.97%	20.23%	12.16%	16.62%
Yield on Average Net Advances ⁽¹²⁾	15.17%	15.59%	15.47%	24.14%	24.74%	24.31%	-	-	-	16.42%	19.05%	21.19%	19.74%	20.63%	25.14%	24.45%	23.84%	19.96%	15.91%	14.89%	15.09%
Spread ⁽¹³⁾	7.40%	8.15%	7.17%	17.31%	14.70%	13.08%	9.66%	9.25%	8.10%	8.98%	11.04%	12.30%	11.67%	12.81%	15.40%	15.79%	13.91%	9.83%	7.69%	7.24%	6.98%
Return Ratio																					
Net Interest Income to Average AUM ⁽¹⁴⁾	8.36%	8.58%	7.93%	NA	NA	NA	NA	NA	NA	11.00%	12.87%	14.08%	9.87%	10.96%	13.04%	3.47%	4.06%	3.67%	-	-	-
Net Interest Margin ⁽¹⁵⁾	8.17%	7.89%	7.22%	20.57%	18.99%	16.55%	13.13%	12.61%	11.59%	9.32%	10.63%	11.65%	11.52%	11.96%	13.83%	8.52%	8.59%	7.29%	-	-	-
Operating Expenses to Average AUM ⁽¹⁶⁾	5.71%	5.66%	5.40%	7.31%	6.43%	5.14%	2.77%	2.53%	2.78%	3.49%	3.30%	3.78%	4.80%	4.75%	4.10%	2.25%	2.10%	1.79%	5.70%	6.59%	6.59%
Credit cost to Average AUM ⁽¹⁷⁾	0.64%	0.52%	0.64%	0.34%	0.96%	0.84%	0.57%	0.75%	0.16%	0.10%	0.23%	0.20%	0.14%	0.28%	0.50%	NM	NM	4.79%	0.79%	1.73%	1.74%
PAT to Average AUM ⁽¹⁸⁾	2.36%	1.87%	1.42%	10.07%	9.54%	8.61%	8.44%	8.00%	7.36%	5.73%	7.15%	7.90%	3.85%	4.54%	6.48%	1.39%	1.55%	0.83%	3.68%	2.38%	4.39%
Return on Total Average Assets (%) ⁽¹⁹⁾	2.31%	1.72%	1.29%	8.02%	7.47%	7.08%	7.82%	7.25%	6.46%	4.85%	5.90%	6.53%	4.50%	4.96%	6.87%	3.41%	3.29%	1.65%	2.92%	1.48%	2.01%
Return on Average Equity (%) ⁽²⁰⁾	14.36%	10.41%	8.08%	14.99%	15.05%	16.84%	16.08%	15.12%	14.47%	17.63%	23.55%	27.77%	14.97%	17.58%	27.70%	16.88%	18.08%	9.22%	9.93%	5.18%	7.67%
NPA / Asset Quality																					
Gross NPA (%) ⁽²¹⁾	2.03%	2.23%	1.01%	1.36%	1.05%	1.02%	1.15%	1.20%	0.70%	3.79%	2.99%	0.88%	1.30%	3.00%	1.90%	1.8%	3.15%	1.98%	2.43%	2.74%	3.16%
Net NPA (%) ⁽²²⁾	1.59%	1.75%	0.71%	0.69%	0.68%	0.84%	0.86%	0.90%	0.50%	-	-	-	1.10%	2.70%	1.50%	1.1%	1.82%	0.89%	1.41%	1.63%	1.95%
Provision Coverage Ratio ⁽²³⁾	22.19%	22.07%	29.88%	49.33%	34.89%	17.96%	25.00%	25.31%	27.48%	-	-	-	-	-	-	-	-	-	42.04%	40.44%	38.25%
Distribution																					
States and Uts ⁽²⁴⁾	16	15	15	8	9	9	5	5	4	29	29	29	28	28	28	25	25	-	18	18	1

...continued from previous page.

BASIS FOR OFFER PRICE

(₹ in million, unless otherwise indicated)

Particulars	Fedbank Financial Services Limited			Five Star Business Finance			Aptus Value Housing Finance			Muthoot Finance			Manappuram Finance			IFIL Finance			SBFC Finance		
	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
ICRA	-	-	-	ICRA AAA (CE)/ICRA AA- (Stable)	ICRA AAA (CE)/ICRA AA- (Stable)	ICRA AAA (CE)/ICRA AA- (Stable)	ICRA AA- (Stable)	ICRA AA- (Stable)	ICRA AA+ (Stable)	ICRA AA+ (Stable)	ICRA AA+ (Stable)	-	-	-	ICRA AA (Stable)	ICRA AA (Stable)	ICRA AA (Negative)	ICRA AA+ (Stable)	ICRA A+ (Positive)	ICRA A (Stable)	ICRA A (Stable)
INDIA Ratings	IND AA- (Stable) ⁽¹⁾	IND AA- (Stable) ⁽²⁾	IND AA- (Stable) ⁽³⁾	IND AA- (Stable)	-	-	-	-	-	-	-	-	-	-	-	-	-	IND A+ (Stable)	IND A+ (Stable)	IND A (Stable)	IND A (Stable)
CRISIL	-	-	-	-	-	-	-	-	-	CRISIL AA+ (Stable)	CRISIL AA+ (Stable)	CRISIL AA+ (Stable)	CRISIL AA- (Stable)	CRISIL AA/CRISIL PPMLD AA/r/CRISIL AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)	CRISIL AA/CRISIL PPMLD AA (Stable)

Notes:

(1) AUM represents Advances under Management as disclosed by the company as of the last day of the relevant period.

(2) AUM Growth represents growth in AUM for the relevant period over AUM of the previous period.

(3) Shareholder Equity represents surplus capital and reserves and surplus as of the last day of the relevant fiscal year.

(4) Capital Adequacy Ratio (%) as of the last day of the relevant fiscal year as reported by the company.

(5) Total Borrowings to Shareholder Equity ratio represents total borrowings (Sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) to total shareholder equity.

(6) Cost of Borrowings represents total interest expense divided by the average sum of deposits and borrowings, expressed as a percentage.

(7) Total Revenue as reported by the company refers to the summation of total revenue from operations and the other income.

(8) Net Interest Income represents total interest income minus total interest expense.

(9) Fee and Other Income represents sum of fee income and other income reported by the company.

(10) Profit After Tax represents the Profit for the period as reported.

(11) Profit after Tax (%) represents the Profit after tax for a period to the Total Revenue for the period, represented as a percentage.

(12) Yield on Average Net Advances represents interest income on loans and advances divided by average net advances, expressed as percentage.

(13) Spread represents difference of yield on advances and cost of funds for the company.

(14) Net Interest Income to Average AUM represents net interest income divided by average AUM, expressed as percentage.

(15) Net Interest Margin represents net interest income divided by average total assets, expressed as percentage.

(16) Operating Expenses to Average AUM represents operating expenses (sum of, Fee and commission expenses, Employee benefits expenses, Depreciation amortization and impairment and Other expenses) divided by average AUM, expressed as percentage.

(17) Credit cost to Average AUM represents impairment on financial instruments divided by average AUM, expressed as percentage.

(18) PAT to Average AUM represents profit after tax divided by average AUM, expressed as percentage.

(19) Return on Total Assets (%) represents profit after tax divided by average total assets, expressed as percentage.

(20) Return on Average Equity (%) represents profit after tax divided by average total shareholder equity, expressed as percentage.

(21) Gross NPA (%) refers to loans under Gross Loan Book as of the last day of the relevant period or closing balance of Gross Loan Book which are classified as credit impaired loans in accordance with Ind AS 109 (Financial Instruments).

(22) Net NPA (%) refers to Gross NPA reduced by impairment loss allowance (i.e. ECLs allowance) made against these loans as of the last day of the relevant reporting period.

(23) Provision Coverage Ratio (%) represents the ratio of NPA provision including technical write off and Gross NPA, including technical write off.

(24) States and UTs represents the geographical presence of the company by means of physical branches in the States and Union Territories of India.

(25) Branches represents the geographical presence of the Company by means of physical branches.

(26) AUM/Branch represents AUM divided by total number of branches.

(27) AUM/Employee represents AUM divided by total number of employees.

(28) Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 33.

(29) Diluted EPS: Diluted EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 33.

(30) Credit Ratings represents the long term credit ratings of our Company's various borrowing facilities on the basis of the assessment by independent rating agencies.

(31) This rating is for our Company's NCDs and long-term bank facilities.

(32) This rating is for our Company's NCDs.

(33) This rating is for our Company's bank loans, NCDs and NCDs - subordinated debt.

span of rolling 30 days
NIL

(b) Price per share of Issuer Company based on secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the DRHP / RHP, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

(c) Since there are no transactions to report under H(a) and H(b) above, the following are the details basis the last five primary and secondary transactions (secondary transactions where Promoter, Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) in the Board of the Company, are a party to the transaction), during the three years preceding the date of the Red Herring Prospectus, irrespective of the size of transactions:

Primary transactions:

Name of acquirer	Nature of consideration (Cash/ other than cash)	Date of acquisition/ allotment / transfer	Face Value (₹)	No. of shares acquired/ allotted	Acquisition price per share (including securities premium) (₹)	Reason for allotment/ transfer (preferential allotment/ bonus etc.)	Total Cost (₹)
The Federal Bank Limited	Cash	June 29, 2021	10	21,141,998	70	Rights issue	1,479,939,860
True North Fund VI LLP	Cash	June 29, 2021	10	7,428,270	70	Rights issue	519,978,900
Total				28,570,268			1,999,918,760

Secondary acquisition:
There have been no secondary transactions where our Promoter, members of the Promoter Group, Selling Shareholders are a party to the transaction, in the last three years preceding the date of this Red Herring Prospectus.

I. Weighted average cost of acquisition ("WACA"), floor price and cap price

Based on the above transactions (set out in point H above), below are the details of the WACA, as compared to the Floor Price and the Cap Price:

Past Transactions	WACA	Floor Price	Cap Price
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	NIL	N.A.	N.A.
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	NIL	N.A.	N.A.
If there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of the Red Herring Prospectus, where either issuance or acquisition/ sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, during the last three years preceding to the date of filing of the Red Herring Prospectus irrespective of the size of the transaction		70.00	
(a) Based on primary transactions	70.00	1.90	2.00
(b) Based on secondary transactions	N.A.	N.A.	N.A.

J. Justification for Basis of Offer Price
Explanation for Cap Price being 2.00 price of weighted average cost of acquisition of primary issuance price of Equity Shares along with our Company's key financial and operational metrics and financial ratios for and Fiscal 2023, 2022 and 2021

- Our presence in large, underpenetrated markets with strong growth potential
- Well diversified funding profile with an advantage of lower cost of funds
- Our "Phygital" doorstep model, a combination of digital and physical initiatives, for providing customized services to our customers across all of our products.
- Focus on performance of our large branch network and extracting operating leverage
- We are a technology driven company using systems with digital infrastructure to manage a scalable and sustainable operating model.

Investors should read the above mentioned information along with "Risk Factors", "Our Business", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 27, 201, 297 and 398, of the RHP, respectively, to have a more informed view.

FOR FURTHER DETAILS, SEE "BASIS FOR OFFER PRICE" BEGINNING ON PAGE 111 OF THE RHP.

G. Comparison with Listed Industry Peers

The peer group of the Company has been determined on the basis of companies listed on Indian stock exchanges and globally, whose business profile is comparable to our businesses in terms of our size and our business model:

Name of the Company	Total Revenue (₹ in million)	Face Value (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%)	NAV per share (₹)
Fedbank Financial Services Limited	12,146.80	10	-	5.60	13.29%	42.11
Aptus Value Housing (Consolidated)	11,289.99	2	28.58	10.10	15.06%	67.05
IFIL Finance (Consolidated)	84,471.10	2	15.53	39.50	17.88%	236.37
Five Star Business Finance (Consolidated)	15,289.28	1	37.54	20.70	13.91%	148.94
Manappuram Finance Limited (Consolidated)	67,499.47	2	8.06	17.07	15.55%	113.95
Muthoot Finance Limited (Consolidated)	119,750.05	10	15.39	86.50	16.94%	539.69
SBFC Finance Limited	7,403.61	10	48.33	1.70	8.67%	19.42

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis (unless otherwise available only on standalone) and is sourced from the filings made with stock exchanges available on the BSE for the three-months period ended June 30, 2023.
Source for Fedbank Financial Services Limited: Based on the Restated Financial Statements for the three-months period ended June 30, 2023.

Notes:

i. P/E Ratio has been computed based on the closing market price of equity shares on November 6, 2023, divided by the Basic EPS.

ii. Return on Net Worth (%) = Net Profit after tax divided as restated as at the year end

iii. Net worth has been computed as sum of paid-up share capital and other equity.

iv. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

H. Weighted average cost of acquisition ("WACA")

(a) Price per share of our Company based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under ESOP 2018 and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company in a single transaction or multiple transactions combined together over a

ASBA # Simple, Safe, Smart way of Application!!!

Applications supported by blocked amount ("ASBA") is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues. No cheque will be accepted.

UPI Now available in ASBA for Retail Individual Investors and Non-Institutional Investors applying for amount upto ₹ 500,000, applying through Registered Brokers, Syndicate CDPs and RTAs. UPI Bidder also have the option to use the facility linked to the ASBA Bank (SCSB) or to use the facility linked to the ASBA Bank (SCSB) or to use the facility linked to the ASBA Bank (SCSB) or to use the facility linked to the ASBA Bank (SCSB).

ASBA has to be availed by all the investors except anchor investors. UPI can be availed by UPI Bidders. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 465 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the website of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=Yes&intmid=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=Yes&intmid=43, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in/UPIBiddersBiddingUsingtheUPImechanismmayapplythroughtheSCSBsandmobileapplicationswhosenamesappearonthewebsiteofSEBI, as updated from time to time. Axis Bank Limited and ICICI Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For offer related queries, please contact the Book Running Lead Managers ("BRLMs") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Banks, as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 31 of the SEBI ICDR Regulations, wherein not more than 50% of the net Offer shall be available for allocation on a proportionate basis to qualified Institutional Buyers ("QIBs") ("QIB Portion"), provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds or at or above the price at which allocation is made to the Anchor Investors ("Anchor Investor Allocation Price"). In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid bids being received at or above the Offer Price and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, (other than Anchor Investors) including Mutual Funds, subject to valid bids being received at or above the Offer Price. Further, not less than 15% of the net Offer shall be available for allocation to Non-Institutional Bidders ("Non-Institutional Category") of which (a) one-third shall be reserved for applicants with application size of more than ₹2,000,000 and up to ₹1,000,000; and (b) two-third shall be reserved for allocation to Bidders with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Category, in accordance with the SEBI ICDR Regulations, subject to valid bids being received at or above the Offer Price. Further, not less than 35% of the net Offer shall be available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations, subject to valid bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank accounts, and UPI ID in case of UPI Bidders (defined hereinafter), in which the corresponding Bid Amounts will be blocked by the SCSBs or Sponsor Banks, as the case may be, to participate in the Offer. Anchor investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 465 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the

Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the CBDT dated February 13, 2020, read with press releases dated June 25, 2021 and September 17, 2021, read with press release dated September 17, 2021, read with press release dated March 28, 2023.

Contents of the Memorandum of Association of our Company as regards its objects: For information on the main objects of our Company, please see the section "History and Certain Corporate Matters" on page 243 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" on page 490 of the RHP.

Liability of the members of our Company: Limited by shares

Amount of share capital of our Company and Capital structure: As on the date of the RHP, the authorised share capital of the Company is ₹9,900,000,000 consisting of 990,000,000 Equity Shares having a face value of ₹10 each and 1,000,000,000 Preference Shares of face value ₹10 each. The issued, subscribed and paid-up share capital of the Company is ₹3,269,759,400 divided into 326,975,940 Equity Shares of face value of ₹10 each. For details, see "Capital Structure" beginning on page 89 of the RHP.

Names of signatories to the Memorandum of Association of our Company and the number of Equity Shares subscribed by them: The names of the signatories of the Memorandum of Association of our Company are: M.P.K. Nair, A.R. Sankaranarayanan, K.T. Chandu, K.M. Noordin Mather, P.S. Menon, T.V. Antony and K.M. Chandu, for and on behalf of The Federal Bank Limited. For details of the share capital history and capital structure of our Company, see "Capital Structure" beginning on page 89 of the RHP.

Listing: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received "in-principle" approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated October 4, 2023 and October 3, 2023, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the ROC in accordance with Sections 26(4) and 32 of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 490 of the RHP.

Disclaimer Clause of the Securities and Exchange Board of India ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 440 of the RHP for the full text of the disclaimer clause of SEBI.

Disclaimer Clause of NSE (Designated Stock Exchange): It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 444 of the RHP for the full text of the disclaimer clause of NSE.

Disclaimer Clause of BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 444 of the RHP for the full text of the disclaimer clause of BSE.

General Risk: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 27 of the RHP.

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025, Maharashtra, India Tel: +91 22 6807 7100 E-mail: fedfina.ipo@icicisecurities.com Website: www.icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Contact Person: Shekhar Asnani/Gaurav Mittal SEBI Registration No.: INM000011534	BNP Paribas 1-North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra, India Tel: +91 22 3370 4000 E-mail: DL.Fedfina.IPO@bnpnparibas.com Website: www.bnpnparibas.com Investor grievance e-mail: indiainvestors.care@asia.bnpnparibas.com Contact Person: Piyush Ramchandani SEBI Registration No.: INM000011534	Equirus Capital Private Limited* 12 th Floor, C Wing, Marathon Futurax, N M Joshi Marg, Lower Parel, Mumbai - 400 013, Maharashtra, India Tel: +91 22 4332 0700 E-mail: fedfina.ipo@equirus.com Website: www.equirus.com Investor grievance e-mail: investors@grievance@equirus.com Contact Person: Anshul Jain SEBI Registration No.: INM000011286	JM Financial Limited 7 th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025, Maharashtra, India Tel: +91 22 6630 3030 E-mail: fedfina.ipo@jmf.com Website: www.jmf.com Investor Grievance e-mail: grievance.ibd@jmf.com Contact Person: Prachee Dhuri SEBI Registration No.: INM000010361	Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083, Maharashtra, India Tel: +91 22 4918 6000 E-mail: fedfina.financialservices.ipo@linkintime.co.in Website: www.linkintime.co.in Investor Grievance ID: fedfina.financialservices.ipo@linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058	Rajaraman Sundaresan Kanakia Wall Street, A Wing, 5th Floor, Unit No. 511 Andhri Kurla Road, Andhri (East), Mumbai 400 093 Maharashtra, India Tel: +91 22-68520616 Email: secretarial@fedfina.com Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all offer related queries and for redressal of complaints, Investors may also write to the BRLMs.

*Equirus has signed the due diligence certificate and has been disclosed as a BRLM for the Offer. Equirus and our Company are associates in terms of the SEBI Merchant Bankers Regulations. Accordingly, in compliance with the proviso to Regulation 21A(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations, Equirus would be involved only in the marketing of the Offer.

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the "Risk Factors" on page 27 of the RHP, before applying in the Offer. A copy of the RHP shall be available on website of SEBI at www.sebi.gov.in, website of the Company at www.fedfina.com and is available on the websites of the BRLMs, i.e. ICICI Securities Limited, BNP Paribas, Equirus Capital Private Limited and JM Financial Limited at www.icicisecurities.com, www.bnpnparibas.com, www.equirus.com and www.jmf.com, respectively and on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively.

AVAILABILITY OF BID CUM APPLICATION FORMS: Bid cum Application Forms can be obtained from the Registered Office of FEDBANK FINANCIAL SERVICES LIMITED, Tel: +91 22 6852 0601; BRLMs: ICICI Securities Limited, Tel: +91 22 6807 7100; BNP Paribas, Tel: +91 22 3370 4000; Equirus Capital Private Limited, Tel: +91 22 6630 3030; Syndicate Members: Equirus Securities Private Limited, JM Financial Services Limited and Sharekhan Limited; at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE at www.bseindia.com and NSE at www.nseindia.com and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

Sub-Syndicate Members: Almondz Global Securities Ltd., Anand Rathi Share & Stock Brokers Limited, Asit C. Mehta Investment Intermediates Ltd., Axis Capital Limited, Bajaj Financial Securities Ltd., Bonanza Portfolio Ltd., Centrum Broking Limited, Centrum Wealth Management Ltd., Choice Equity Broking Private Limited, DB(International) Stock Brokers Ltd., Eureka Stock & Share Broking Services Ltd., Finwzard Technology Private Limited, Globe Capital Markets Ltd., HDFC Securities Limited, IDBI Capital Markets & Services Limited, IIFL Securities Ltd., India Infoline Limited, JM Financial Services Limited, Jobanputra Fiscal Services Pvt. Ltd., KJM Capital Markets Ltd., Kotak Securities Limited, LKP Securities Limited, Inventiva Growth & Securities Ltd., Motilal Oswal Financial Services Limited, Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited), Prabhudas Lilladhar Pvt Ltd., ravin Ratilal Share & Stock Brokers Ltd., Religare Broking Ltd., Rikhav Securities Limited, RR Equity Brokers Pvt Ltd., SBCAP Securities Ltd., SMC Global Securities Ltd., Systematix Shares and Stocks (India) Limited, Trade Bulls Securities (P) Ltd., Yes Securities (India) Limited.

Escrow Collection Bank and Refund Bank: Axis Bank Limited • Public Offer Account Bank: ICICI Bank Limited • Sponsor Banks: Axis Bank Limited and ICICI Bank Limited
All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Mumbai
Date: November 16, 2023

FEDBANK FINANCIAL SERVICES LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the RHP with RoC on November 16, 2023 and thereafter SEBI with the Stock Exchanges. The RHP shall be available on the website of SEBI at www.sebi.gov.in, as well as on the websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, the website of the Company at www.fedfina.com and is available on the websites of the BRLMs, i.e. ICICI Securities Limited, BNP Paribas, Equirus Capital Private Limited and JM Financial Limited at www.icicisecurities.com, www.bnpnparibas.com, www.equirus.com and www.jmf.com, respectively. Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section entitled "Risk Factors" on page 27 of the RHP. Potential investors should not rely on the Draft Red Herring Prospectus filed with SEBI for making any investment decision and instead should place reliance on the RHP.

This announcement is not an offer of securities for sale in the United States or elsewhere. The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities law. Accordingly, the Equity Shares are being offered and sold outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in "offshore transactions" as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. There will be no offering of securities in the United States.

For FEDBANK FINANCIAL SERVICES LIMITED
On behalf of the Board of Directors
Sd/-
Rajaraman Sundaresan
Company Secretary and Compliance Officer