



Fedfina forays into bond market, achieves a successful first issuance

Mumbai, 26 June, 2020: Fedfina (Fedbank Financial Services Limited), one of India's leading non-banking financial services companies, forayed into the Indian bond market last week.

Initially the aim was to raise ₹ 100 Crores through debentures, with a Green shoe option to retain oversubscription upto ₹ 100 Crores. Fedfina successfully raised a large issue amount of ₹ 187.5 Crores. The coupon rate for the issuance was set to be at 9% p.a. for a tenure of three years. The debentures have largely been picked up by banks and other financial institutions.

Mr. Anil Kothuri - MD and CEO, Fedfina said, *"This is Fedfina's maiden issuance of Non-Convertible Debentures. It is reassuring to see our investors show such immense faith, especially in such a turbulent market. It is a testimony to Fedfina's pedigree and a show of faith in our plans for the future."* He further added, *"The current environment, due to Covid-19 has shown a large demand for gold loans. The proceeds of this issue will be deployed to cater to this increased demand. We are in the midst of expanding our gold loans business and our branch network."*

In early 2019, Fedfina had announced a comprehensive 5 year expansion plan to strengthen its network to 500 branches and thereby scale up the business operations in different geographies of the country.

About Fedfina

Fedbank Financial Services Limited (Fedfina) is the NBFC subsidiary of The Federal Bank. Fedfina employs over 2000 people and operates through 300 branches across twelve states. Its product lines include Gold Loans, Mortgage Loans, Unsecured Loans and Wholesale Finance. True North having invested in the company and is a strategic growth driver for the business. For more details, please visit <http://www.fedfina.com>

About True North

True North was established in 1999 with a focus on investing in and transforming mid-sized profitable businesses into world-class industry leaders, built on the strong foundation of True North Values which are embodied within the principles of 'The Right Way'. True North has built deep knowledge and skills in the Indian markets and has successfully launched six separate investment funds with a combined corpus of over US\$ 2.9 billion including co-investments. True North's insights and understanding of India has been sharpened over the last 20 years by investing in more than 50 Indian businesses. It has successfully guided these companies in making the transition into well-established and large businesses that are valuable, enduring and socially responsible. The True North team has been structured with a balanced mix of 7 Investment and 18 Business Managers, who bring with them several hundred man-years of industry experience to achieve the above objective. For more details, visit: www.truenorth.co.in

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