

No.CTL/DEB/18-19/Noting Certificate/144

April 30, 2018

To Whomsoever It May Concern,

CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION
[Pursuant to Regulation 52(2) of the securities and exchange board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015]

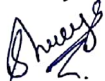
We Catalyst Trusteeship Limited ("Debenture Trustee") hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 ("Regulations"), provided to us by **Fincare Small Finance Bank Limited** ("Company") for the half year ended March 31, 2018.

This certificate is being issued pursuant to the requirement of regulation 52(5) of the aforesaid Regulation, for onward submission to Stock Exchange(s) by the Company.

Thanking you.

Yours faithfully,

For Catalyst Trusteeship Limited



Authorised Signatory



(₹ in Lakhs)		
Particulars	As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
Capital and liabilities		
Capital	3,746	3,746
Reserves and surplus	30,009	39,764
Deposits	72,710	-
Borrowings	106,898	63,110
Other liabilities and provisions	14,049	13,158
Total	227,412	119,778
Assets		
Cash and balances with Reserve Bank of India	4,765	73
Balances with banks and money at call and short notice	20,386	30,914
Investments	27,271	-
Advances	162,960	77,720
Fixed assets	2,230	880
Other assets	9,800	10,191
Total	227,412	119,778
Contingent liabilities	9,557	10,743
Bills for collection	-	-

Audited Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Lakhs)				
Particulars	6 months ended 31 March 2018 (Unaudited)	6 months ended 31 March 2017 (Unaudited)	Year ended 31 March 2018 (Audited)	Year ended 31 March 2017 (Audited)
I. Income				
Interest earned	19,166	10,915	31,408	16,739
Other income	2,572	820	3,653	1,815
Total	21,738	11,735	35,061	18,554
II. Expenditure				
Interest expended	7,119	4,406	11,891	6,559
Operating expenses	10,531	7,244	17,805	10,234
Provision and contingencies	5,860	26	15,120	893
Total	23,510	11,676	44,816	17,686
III. Profit/(loss)				
Net profit/(loss)	(1,771)	59	(9,755)	868
Balance in profit and loss brought forward			1,800	1,106
Total	(1,771)	59	(7,955)	1,974
IV. Appropriation				
Transfer to statutory reserves			-	174
Transfer to other reserves			-	-
Transfer to capital reserves			-	-
Balance carried over to balance sheet			(7,955)	1,800
Total			(7,955)	1,974

Earnings per equity share of ₹ 10 each

Basic and diluted (₹)

(4.73)

0.20

(21.23)

3.91

Bengaluru
30 April 2018

FINCARE SMALL FINANCE BANK LIMITED

Regd. Office: 301-306, 3rd Floor, Abhijeet-V, Opp. Mayor's Bungalow,
Law Garden Road, Mithakhali, Ahmedabad - 380006
Phone: +91-79-40011000

Head Office: # 835/39, 5th Floor, Bren Mercury, Kaikondanahalli,
Sarjapur Main Road, Bengaluru - 560035, Karnataka.
Phone: +91-80-42504444

www.fincarebank.com

CIN No. U67120GJ1995PLC025373

For and on behalf of the Board of Directors



Rajeev Yadav
MD & CEO
DIN: 00111379



Notes:

1. The audited financial results for the year ended 31 March 2018 was reviewed by the audit committee and approved by the Board of Directors at its meeting held on 30 April 2018.
2. The numbers reported above for the year ended 31 March 2018 are subjected to audit and the auditors have issued an unqualified opinion. The numbers of six month ended are the balancing amounts between the audited amounts in respect of the full financial year and the published six month ended 30 September 2017. Also, all the figures upto the end of the six month ended 30 September 2017 had only been reviewed and not subject to audit.
3. (a) Pursuant to the resolution passed by the shareholders at the Extra-Ordinary General Meeting held on 19 May 2017 and the issue of small finance bank license by the Reserve Bank of India ("RBI") on 12 May 2017, the Company commenced its operations as a small finance bank with effect from 21 July 2017. Accordingly, the name of the Company is changed to Fincare Small Finance Bank Limited ("the Bank"). These financial results for the year ended 31 March 2018 have, therefore, been prepared as per RBI guidelines which are applicable to banks. The Bank has accordingly, changed some of its accounting policies to ensure compliance with banking regulations issued by RBI from time to time and practices that are prevalent in the banking industry.
- (b) Further, the Company acquired the assets and liabilities of Future Financial Services Private Limited ("FFSPL") via Slump sale agreement effective 2 October 2016.
- As a result, the previous year's/ period's figures are not entirely comparable with those of the current year/ period.
4. As at 31 March 2018, the Bank has recorded a total provision on asset under management of ₹ 1,132 lakhs (31 March 2017 : ₹ 1,702 lakhs). The accounting policy of the Bank with regard to provisioning on its loan portfolio has been aligned during the year ended 31 March 2018 with the relevant requirements of RBI's prudential norms on income recognition, asset classification and provisioning pertaining to advances applicable to Banks, with effect from 1 April 2017. Consequent to the change in the accounting policy with regard to asset classification and provisioning, an aggregate provision is higher by ₹ 1,778 lakhs net profit/(loss) is lower by ₹ 1,778 lakhs for the year ended 31 March 2018, respectively.
4. EPS disclosed for the six month ended 31 March 2018 and 31 March 2017 are not annualised.
5. During the six month ended 31 March 2018, the Bank has issued 3,700 rated, listed, redeemable, non convertible debentures at ₹ 1,00,000 each at a coupon rate of 11.30 percent and 3,800 subordinated, rated, listed, redeemable, non convertible debentures at ₹ 1,00,000 each at a coupon rate of 11.30 percent to Fincare Business Services Limited ("FBSL" or "Holding Company").
7. During the six month ended 31 March 2018, the Bank did not recognize deferred tax asset on the carried forward losses and unabsorbed depreciation aggregating to ₹ 10,166 lakhs as a matter of prudence and on account of lack of virtual certainty as required by Accounting Standards (AS) 22, Accounting for Taxes on Income. The said sum of ₹ 10,166 will be available to offset tax on future taxable income.
8. The Bank is in the process of obtaining the Scheduled Bank status from Reserve Bank of India.
9. Amounts for the previous years have been regrouped/reclassified, wherever necessary, to correspond with the current period's classification/disclosures.

Bengaluru
30 April 2018

For and on behalf of the Board of Directors




Ravi Yadav
MD & CEO
DIN : 00111379

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Annexure 1
1. Credit rating:

Deposit instrument	Name of rating agency	Rating assigned
Non-Convertible Debentures	CARE Ratings Limited	CARE A- (Stable)
Term loans	CARE Ratings Limited	CARE A- (Stable)

There has been no change in the aforesaid rating from the previous period(s).

2. Debt-Equity ratio:

Debt-Equity ratio of the Company as on 31 March 2018 is 3.17 as per audited financial results of the Bank.

3. Previous due date for payment of principal/interest on Non Convertible Debentures ("NCDs")

NCD	ISIN number	Due date (from 01 April 2017 to 31 March 2018)	
		Principal	Interest
Hinduja Leyland Finance Limited	INE519Q08012	Not due	15-Jan-18
IFMR Capital Finance Private Limited	INE519Q08012	Not due	15-Jan-18
Jibralter Traders Limited	INE519Q08012	Not due	15-Jan-18
A. K. Capital Finance Private Limited	INE519Q08020	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08061	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08079	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08087	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08095	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08103	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08111	Not due	28-Feb-18
A. K. Capital Finance Private Limited	INE519Q08129	Not due	28-Feb-18
Fincare Business Services Limited (taken post 30 September 17)	INE519Q08145	Not due	Not due
Fincare Business Services Limited (taken post 30 September 17)	INE519Q08137	Not due	Not due

The Company has paid the interest and principal on NCDs on the respective due dates mentioned above.

4. Next due date for payment of principal/interest on Non-convertible Preference Shares - Not applicable.
5. Outstanding redeemable preference shares - Not applicable.
6. Debenture Redemption Reserve (DRR) - No DRR is required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of the Companies (Share Capital and Debenture) Rules, 2014.
7. Net worth as on 31 March 2018 - ₹ 32,787 lakhs
8. Net loss after tax - ₹ 9,755 lakhs
9. Earnings per share - ₹ (21.23) per share


Bengaluru
30 April 2018


For and on behalf of the Board of Directors




Rajeev Yadav
MD & CEO
DIN : 00111379

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