

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)

STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020
(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 14 below)	Unaudited	Audited (Refer Note 14 below)	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	339,684	333,036	303,232	1,321,075	1,141,903
(a) Interest/discount on advances/bills	272,435	270,278	241,305	1,067,087	908,962
(b) Income on investments	56,529	53,611	53,638	218,407	203,745
(c) Interest on balances with Reserve Bank of India and other inter bank funds	4,686	3,527	1,178	13,996	7,347
(d) Others	6,034	5,620	7,111	21,585	21,849
2. Other income	71,111	40,786	41,172	193,141	135,102
3. TOTAL INCOME (1+2)	410,795	373,822	344,404	1,514,216	1,277,005
4. Interest expended	218,083	217,543	193,579	856,185	724,268
5. Operating expenses (i)+(ii)	96,780	81,897	75,350	337,561	276,427
(i) Employees cost	51,906	41,476	37,015	177,236	137,776
(ii) Other operating expenses	44,874	40,421	38,335	160,325	138,651
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	314,863	299,440	268,929	1,193,746	1,000,695
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	95,932	74,382	75,475	320,470	276,310
8. Provisions (other than tax) and contingencies	56,750	16,086	17,776	117,217	85,585
9. Exceptional items	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	39,182	58,296	57,699	203,253	190,725
11. Tax expense	9,059	14,232	19,548	48,975	66,336
12. Net Profit from Ordinary Activities after tax (10-11)	30,123	44,064	38,151	154,278	124,389
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit for the period (12-13)	30,123	44,064	38,151	154,278	124,389
15. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	39,853	39,846	39,701	39,853	39,701
16. Reserves excluding Revaluation Reserve				1,411,407	1,287,102
17. Analytical Ratios					
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%) Under Basel III	14.35	13.64	14.14	14.35	14.14
(iii) Earnings per Share (EPS) (in ₹)					
(a) Basic EPS (before and after extra ordinary items)	1.51*	2.21*	1.92*	7.76	6.28
(b) Diluted EPS (before and after extra ordinary items)	1.50*	2.20*	1.91*	7.70	6.24
(iv) NPA Ratios					
a) Gross NPA	353,083	361,869	326,068	353,083	326,068
b) Net NPA	160,717	194,101	162,620	160,717	162,620
c) % of Gross NPA	2.84	2.99	2.92	2.84	2.92
d) % of Net NPA	1.31	1.63	1.48	1.31	1.48
(v) Return on Assets (%)	0.17*	0.26*	0.25*	0.94	0.88

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 14 below)	Unaudited	Audited (Refer Note 14 below)	Audited	Audited
Segment Revenue:					
Treasury	102,236	70,179	66,515	314,209	254,761
Corporate/Wholesale Banking	139,527	135,913	145,079	562,327	507,376
Retail Banking	161,319	160,131	121,852	609,272	488,342
Other Banking operations	7,713	7,599	10,958	28,408	26,526
Unallocated	-	-	-	-	-
Total Revenue	410,795	373,822	344,404	1,514,216	1,277,005
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	410,795	373,822	344,404	1,514,216	1,277,005
Segment Results (net of provisions):					
Treasury	39,033	15,456	10,950	82,200	41,085
Corporate/Wholesale Banking	(35,680)	(11,340)	14,328	(32,879)	25,969
Retail Banking	36,349	54,381	28,188	156,061	120,186
Other Banking operations	1,968	620	5,280	3,817	6,690
Unallocated	(2,488)	(821)	(1,047)	(5,946)	(3,205)
Profit before tax	39,182	58,296	57,699	203,253	190,725
Segment Assets					
Treasury	4,183,243	3,519,353	3,575,297	4,183,243	3,575,297
Corporate/Wholesale Banking	6,264,764	6,000,398	5,816,960	6,264,764	5,816,960
Retail Banking	6,669,709	6,535,673	5,668,073	6,669,709	5,668,073
Other Banking operations	375	2,049	1,138	375	1,138
Unallocated	945,714	1,221,607	872,531	945,714	872,531
Total	18,063,805	17,279,080	15,933,999	18,063,805	15,933,999
Segment Liabilities					
Treasury	4,075,361	3,406,295	3,476,144	4,075,361	3,476,144
Corporate/Wholesale Banking	6,024,101	5,922,863	5,600,730	6,024,101	5,600,730
Retail Banking	6,421,436	6,458,732	5,461,130	6,421,436	5,461,130
Other Banking operations	24	14	4	24	4
Unallocated	91,122	70,038	68,687	91,122	68,687
Total	16,612,044	15,857,942	14,606,695	16,612,044	14,606,695
Capital employed:					
(Segment Assets - Segment Liabilities)					
Treasury	107,882	113,058	99,153	107,882	99,153
Corporate/Wholesale Banking	240,663	77,535	216,230	240,663	216,230
Retail Banking	248,273	76,941	206,943	248,273	206,943
Other Banking operations	351	2,035	1,134	351	1,134
Unallocated	854,592	1,151,569	803,844	854,592	803,844
Total	1,451,761	1,421,138	1,327,304	1,451,761	1,327,304

@ For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.

Statement of Assets and Liabilities of the Bank as on March 31, 2020 is given below:

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	39,853	39,701
Reserves and Surplus	1,411,908	1,287,603
Deposits	15,229,008	13,495,434
Borrowings	1,037,243	778,132
Other Liabilities and Provisions	345,793	333,129
Total	18,063,805	15,933,999
ASSETS		
Cash and Balances with Reserve Bank of India	617,491	641,917
Balance with Banks and Money at Call and Short Notice	639,967	364,763
Investments	3,589,268	3,182,447
Advances	12,226,791	11,022,295
Fixed assets	47,999	47,204
Other assets	942,289	675,373
Total	18,063,805	15,933,999

Notes:

- The above Financial Results for the quarter and year ended March 31, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 28, 2020. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank and an unqualified report has been issued by them.
- The Bank has consistently applied its significant accounting policies in the preparation of the quarterly financial results and its annual financial statements during the years ended March 31, 2020 and March 31, 2019.
- The working results have been arrived at after considering provision for standard assets, including requirements for exposures to entities with Unhedged Foreign Currency Exposures, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.
- Other income includes fees earned from providing services to customers, commission from non-fund-based banking activities, earnings from foreign exchange and derivative transactions, selling of third-party products, profit on sale of investments (net), recoveries from advances written off etc.

- 5 During the quarter ended June 30, 2018, as per RBI Circular, the Bank had exercised the option of spreading the provision for Mark to Market (MTM) losses of ₹ 5,893.97 Lakhs equally over 4 quarters and accordingly unamortised MTM losses of ₹ 4,420.48 Lakhs were deferred to be amortised in remaining quarters of FY 2019, which was fully amortised in FY 2019.
- 6 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- 7 The Business operations of the Bank are largely concentrated in India and for the purpose of Segment reporting, the bank is considered to operate only in domestic segment, though the bank has its operations in International Finance Service Centre (IFSC) Banking Unit in Gujarat International Finance Tec-city (GIFT). The business conducted from the same is considered as part of Indian operations.
- 8 During the quarter and year ended March 31, 2020, the Bank has allotted 386,640 and 7,612,869 equity shares of ₹ 2 each, pursuant to the exercise of stock options by employees.
- 9 During the quarter ended September 30, 2019, the Bank had elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Bank has recognised Provision for Income Tax for quarter and year ended March 31, 2020 and re-measured its Deferred tax liability, basis the rate prescribed in the aforesaid section and recognized the effect of change by revising the annual effective income tax rate.
- 10 In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015 and RBI Circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 - 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments', Banks are required to make Pillar 3 disclosure requirements including Leverage Ratio disclosure requirements that are to be made along with the publication of Financial Results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <http://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.
- 11 The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian Financial markets and a significant decrease in the global and local economic activities. COVID-19 outbreak was declared as a global pandemic on March 11, 2020 by World Health Organisation. The Government of India had announced a series of lock-down measures on March 24, 2020 which has been extended from time to time up to May 31, 2020. The recent directions from the Government indicates calibrated and gradual withdrawal of lockdown and partial resumption of economic activities, though major economic centres still continue to be under strict lockdown. The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are highly uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and action to contain its spread or mitigate its impact whether government mandated or elected by the Bank. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.

In accordance with the 'COVID-19 Regulatory Packages' announced by the RBI on March 27, 2020 and April 17, 2020 ('the RBI guidelines'), with regard to providing relief to borrowers' on account of COVID-19 pandemic whose accounts were standard as on February 29, 2020, the Bank, in accordance with the Board approved policy had offered moratorium on repayment of loan instalments and/or deferment of interest due between March 1, 2020 and May 31, 2020 including relaxation in certain parameters, to all eligible borrowers, without considering the same as restructuring. Further on May 22, 2020, RBI has permitted the Banks to extend such benefits to eligible borrowers for another three months, from June 1, 2020 to August 31, 2020. In accordance with the RBI guidelines, the Bank is required to make provision @ 10% of outstanding advances over two quarters beginning with quarter ending March 31, 2020 in respect of such borrowers whose accounts, though classified as standard as on March 31, 2020, would have become non-performing but for these benefits/relaxations extended as per RBI guidelines. The Bank, as a prudent measure, has made the entire 10% provision amounting to ₹ 3,026.60 Lakhs in the current quarter.

Further, in addition to the above, as a prudent measure, the Bank has made additional provision of ₹ 6,303.40 Lakhs as at March 31, 2020 against the likely impact of COVID-19 pandemic in respect of exposure of the Bank to certain specified sectors based on assessment of presently available information. The entire provision of ₹ 9,330.00 Lakhs in respect of COVID-19 impact is grouped under Other liabilities and provisions in the Balance sheet of the Bank.

- 12 The Reserve Bank of India, vide its circular dated April 17, 2020, has decided that banks shall not make any further dividend payouts from profits pertaining to the financial year ended March 31, 2020 until further instructions, with a view that banks must conserve capital in an environment of heightened uncertainty caused by COVID-19 pandemic. Accordingly, the Board of Directors of the Bank have not recommended any dividend for the year 2019-20 (Previous Year 70% i.e ₹ 1.40/- per Equity Share).
- 13 During the quarter and year ended March 31, 2020, the Bank has invested ₹ 5,920.00 Lakhs and ₹ 6,420.00 Lakhs respectively in its subsidiaries (₹ 500.00 Lakhs in Preference shares with face value ₹ 10 each of Federal Operations and Services Limited & ₹ 5,920.00 Lakhs in equity shares with face value ₹ 10 each of Fedbank Financial Services Limited) and ₹ Nil and ₹ 66.61 Lakhs in Preference shares with face value ₹ 5 each respectively in its associate Equirus Capital Private Limited.
- 14 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the respective financial year, which was subject to limited review.
- 15 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Kochi
May 28, 2020

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash Flow from Operating Activities		
Net Profit before taxes	203,253	190,725
Adjustments for:		
Depreciation on Bank's Property	11,946	12,037
Depreciation on Investments	6,319	10,293
Amortisation of Premium on Held to Maturity Investments	7,401	5,289
Provision for Non Performing Investments	537	2,028
Provision / Charge for Non Performing Assets	101,047	63,055
Provision for Standard Assets	9,908	9,786
(Profit)/Loss on sale of fixed assets (net)	(535)	(1,819)
Provision for Restructured assets	(1,030)	-
Provision for Other Contingencies	435	424
	339,281	291,818
Adjustments for working capital changes:-		
(Increase)/ Decrease in Investments [excluding Held to Maturity Investments]	33,635	203,789
(Increase)/ Decrease in Advances	(1,305,543)	(1,889,603)
(Increase)/ Decrease in Other Assets	(257,121)	(70,323)
Increase/ (Decrease) in Deposits	1,733,574	2,296,186
Increase/ (Decrease) in Other liabilities and provisions	12,216	55,166
	216,761	595,215
Direct taxes paid	(67,635)	(69,944)
Net Cash Flow from / (Used in) Operating Activities	488,407	817,089
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(13,046)	(13,836)
Proceeds from Sale of Fixed Assets	842	2,150
Investment in Subsidiary	(6,420)	(500)
Investment in Associate	(67)	(685)
(Increase)/ Decrease in Held to Maturity Investments	(448,227)	(324,553)
Net Cash generated / (Used in) Investing Activities	(466,918)	(337,424)
Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	152	258
Proceeds from Share Premium	3,131	5,279
Proceeds from Issue of Subordinate Debt	30,000	-
Increase/(Decrease) in Borrowings (Excluding Subordinate Debt)	229,110	(375,217)
Dividend Paid (Including Tax on Dividend)	(33,541)	(23,871)
Net Cash generated from Financing Activities	228,852	(393,551)
Effect of exchange fluctuation on translation reserve	437	225
Net Increase in Cash and Cash Equivalents	250,778	86,339
Cash and Cash Equivalents at the beginning of year	1,006,680	920,341
Cash and Cash Equivalents at the end of year	1,257,458	1,006,680

Note:

Cash and Cash Equivalents comprise of Cash in hand (including foreign currency notes), Balances with Reserve Bank of India, Balances with banks and money at call and short notice.

Kochi
May 28, 2020

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)
CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020
(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 15 below)	Unaudited	Audited (Refer Note 15 below)	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	354,448	341,395	310,665	1,359,039	1,163,544
(a) Interest/discount on advances/bills	286,778	278,601	248,706	1,104,518	930,412
(b) Income on investments	56,560	53,647	53,670	218,550	203,936
(c) Interest on balances with Reserve Bank of India and other inter bank funds	4,686	3,527	1,178	13,996	7,347
(d) Others	6,424	5,620	7,111	21,975	21,849
2. Other income	67,839	42,076	39,512	188,181	133,522
3. TOTAL INCOME (1+2)	422,287	383,471	350,177	1,547,220	1,297,066
4. Interest expended	222,137	220,564	195,370	867,831	731,633
5. Operating expenses (i)+(ii)	102,416	86,872	77,691	354,670	283,658
(i) Employees cost	55,371	44,365	38,510	187,598	142,566
(ii) Other operating expenses	47,045	42,507	39,181	167,072	141,092
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	324,553	307,436	273,061	1,222,501	1,015,291
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	97,734	76,035	77,116	324,719	281,775
8. Provisions (other than tax) and contingencies	57,794	16,254	18,031	118,722	85,765
9. Exceptional items	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	39,940	59,781	59,085	205,997	196,010
11. Tax expense	9,645	14,609	19,978	50,720	67,758
12. Net Profit from Ordinary Activities after tax (10-11)	30,295	45,172	39,107	155,277	128,252
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit for the period (12-13)	30,295	45,172	39,107	155,277	128,252
15. Minority interest	437	280	44	1,028	180
16. Share in Profit of Associates	3,046	270	3,229	3,771	3,556
17. Consolidated Net Profit of the group (14-15+16)	32,904	45,162	42,292	158,020	131,628
18. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	39,853	39,846	39,701	39,853	39,701
19. Reserves excluding Revaluation Reserve				1,441,882	1,309,624
20. Analytical Ratios					
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)					
Under Basel III	14.63	13.88	14.43	14.63	14.43
(iii) Earnings per Share (EPS) (in ₹)					
(a) Basic EPS (before and after extra ordinary items)	1.65*	2.27*	2.13*	7.94	6.65
(b) Diluted EPS (before and after extra ordinary items)	1.64*	2.26*	2.12*	7.88	6.60
(iv) NPA Ratios					
a) Gross NPA	358,015	365,657	330,178	358,015	330,178
b) Net NPA	164,953	197,379	166,218	164,953	166,218
c) % of Gross NPA	2.82	2.97	2.92	2.82	2.92
d) % of Net NPA	1.32	1.63	1.49	1.32	1.49
(v) Return on Assets (%)	0.18*	0.26*	0.27*	0.92	0.88

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited (Refer Note 15 below)	Unaudited	Audited (Refer Note 15 below)	Audited	Audited
Segment Revenue:					
Treasury	101,269	70,179	66,514	311,159	254,761
Corporate/Wholesale Banking	136,776	135,913	145,079	559,576	507,376
Retail Banking	175,663	169,780	127,626	647,211	508,403
Other Banking operations	8,579	7,599	10,958	29,274	26,526
Unallocated	-	-	-	-	-
Total Revenue	422,287	383,471	350,177	1,547,220	1,297,066
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	422,287	383,471	350,177	1,547,220	1,297,066
Segment Results (net of provisions):					
Treasury	38,066	15,456	10,951	79,118	41,469
Corporate/Wholesale Banking	(34,318)	(11,339)	14,328	(31,517)	25,969
Retail Banking	34,930	55,821	29,574	158,639	125,087
Other Banking operations	3,750	664	5,280	5,703	6,690
Unallocated	(2,488)	(821)	(1,048)	(5,946)	(3,205)
Profit before tax	39,940	59,781	59,085	205,997	196,010
Segment Assets					
Treasury	4,161,384	3,521,335	3,578,232	4,161,384	3,578,232
Corporate/Wholesale Banking	6,206,052	6,000,398	5,816,960	6,206,052	5,816,960
Retail Banking	7,021,272	6,743,853	5,786,386	7,021,272	5,786,386
Other Banking operations	911	1,409	1,138	911	1,138
Unallocated	945,714	1,221,607	872,531	945,714	872,531
Total	18,335,333	17,488,602	16,055,247	18,335,333	16,055,247
Segment Liabilities					
Treasury	4,074,266	3,406,295	3,476,144	4,074,266	3,476,144
Corporate/Wholesale Banking	6,056,704	5,922,863	5,600,730	6,056,704	5,600,730
Retail Banking	6,612,359	6,624,970	5,551,810	6,612,359	5,551,810
Other Banking operations	550	14	4	550	4
Unallocated	91,122	70,038	68,687	91,122	68,687
Total	16,835,001	16,024,180	14,697,375	16,835,001	14,697,375
Capital employed:					
(Segment Assets - Segment Liabilities)					
Treasury	87,118	115,040	102,088	87,118	102,088
Corporate/Wholesale Banking	149,348	77,535	216,230	149,348	216,230
Retail Banking	408,913	118,883	234,576	408,913	234,576
Other Banking operations	361	1,395	1,134	361	1,134
Unallocated	854,592	1,151,569	803,844	854,592	803,844
Total	1,500,332	1,464,422	1,357,872	1,500,332	1,357,872

① For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.

Statement of Assets and Liabilities of the Group as on March 31, 2020 is given below:

(₹ in Lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	39,853	39,701
Reserves and Surplus	1,442,383	1,310,125
Minority Interest	18,096	8,046
Deposits	15,225,191	13,487,893
Borrowings	1,252,772	870,629
Other Liabilities and Provisions	357,038	338,853
Total	18,335,333	16,055,247
ASSETS		
Cash and Balances with Reserve Bank of India	618,254	642,267
Balance with Banks and Money at Call and Short Notice	657,477	363,080
Investments	3,571,539	3,167,570
Advances	12,484,950	11,153,592
Fixed assets	50,481	47,993
Other assets	952,632	680,745
Total	18,335,333	16,055,247

Notes:

- The above Consolidated Financial Results for the quarter and year ended March 31, 2020 were reviewed by the Audit Committee and subsequently taken on record and approved by the Board of Directors at its meeting held on May 28, 2020. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank and an unqualified report has been issued. The figures for the quarter ended March 31, 2019 has been approved by the Bank's Board of Directors, but has not been subjected to audit since the requirement of submission of quarterly consolidated financial results has become mandatory only from April 01, 2019.
- The Consolidated Financial Results of the Group comprise the audited financial results of The Federal Bank Limited and its subsidiaries viz. Fedbank Financial Services Limited & Federal Operations and Services Limited and its associates viz. IDBI Federal Life Insurance Company Limited & Equirus Capital Private Limited.
- There has been no material change in the accounting policies adopted during the quarter and year ended March 31, 2020 as compared to those followed for the year ended March 31, 2019.
- The working results have been arrived at after considering provision for standard assets, including requirements for exposures to entities with Unhedged Foreign Currency Exposures, non-performing assets (NPAs), depreciation on investments, income-tax and other usual and necessary provisions.

- 5 Other income includes fees earned from providing services to customers, commission from non-fund-based banking activities, earnings from foreign exchange and derivative transactions, selling of third-party products, profit on sale of investments (net), recoveries from advances written off etc.
 - 6 During the quarter ended June 30, 2018, as per RBI Circular, the Bank had exercised the option of spreading the provision for Mark to Market (MTM) losses of ₹ 5,893.97 Lakhs equally over 4 quarters and accordingly unamortised MTM losses of ₹ 4,420.48 Lakhs were deferred to be amortised in remaining quarters of FY 2019, which was fully amortised in FY 2019.
 - 7 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
 - 8 The Business operations of the Bank are largely concentrated in India and for the purpose of Segment reporting, the bank is considered to operate only in domestic segment, though the bank has its operations in International Finance Service Centre (IFSC) Banking Unit in Gujarat International Finance Tec-city (GIFT). The business conducted from the same is considered as a part of Indian operations.
 - 9 During the quarter and year ended March 31, 2020, the Bank has allotted 386,640 and 7,612,869 equity shares of ₹ 2 each, pursuant to the exercise of stock options by employees.
 - 10 During the quarter ended September 30, 2019, the Bank has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Bank has recognised Provision for Income Tax for quarter and year ended March 31, 2020 and re-measured its Deferred tax liability, basis the rate prescribed in the aforesaid section and recognized the effect of change by revising the annual effective income tax rate.
 - 11 In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015 and RBI Circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 - 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments', Banks are required to make Pillar 3 disclosure requirements including Leverage Ratio disclosure requirements that are to be made along with the publication of Financial Results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <http://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.
 - 12 The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian Financial markets and a significant decrease in the global and local economic activities. COVID-19 outbreak was declared as a global pandemic on March 11, 2020 by World Health Organisation. The Government of India had announced a series of lock-down measures on March 24, 2020 which has been extended from time to time up to May 31, 2020. The recent directions from the Government indicates calibrated and gradual withdrawal of lockdown and partial resumption of economic activities, though major economic centres still continue to be under strict lockdown. The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are highly uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and action to contain its spread or mitigate its impact whether government mandated or elected by the Bank. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.
- In accordance with the 'COVID-19 Regulatory Packages' announced by the RBI on March 27, 2020 and April 17, 2020 ('the RBI guidelines'), with regard to providing relief to borrowers' on account of COVID-19 pandemic whose accounts were standard as on February 29, 2020, the Bank, in accordance with the Board approved policy had offered moratorium on repayment of loan instalments and/or deferment of interest due between March 1, 2020 and May 31, 2020 including relaxation in certain parameters, to all eligible borrowers, without considering the same as restructuring. Further on May 22, 2020, RBI has permitted the Banks to extend such benefits to eligible borrowers for another three months, from June 1, 2020 to August 31, 2020. In accordance with the RBI guidelines, the Bank is required to make provision @ 10% of outstanding advances over two quarters beginning with quarter ending March 31, 2020 in respect of such borrowers whose accounts, though classified as standard as on March 31, 2020, would have become non-performing but for these benefits/relaxations extended as per RBI guidelines. The Bank, as a prudent measure, has made the entire 10% provision amounting to ₹ 3,026.60 Lakhs in the current quarter.
- Further, in addition to the above, as a prudent measure, the Bank has made additional provision of ₹ 6,303.40 Lakhs as at March 31, 2020 against the likely impact of COVID-19 pandemic in respect of exposure of the Bank to certain specified sectors based on assessment of presently available information. The entire provision of ₹ 9,330.00 Lakhs in respect of COVID-19 impact is grouped under Other liabilities and provisions in the Balance sheet of the Bank.
- 13 The Reserve Bank of India, vide its circular dated April 17, 2020, has decided that banks shall not make any further dividend payouts from profits pertaining to the financial year ended March 31, 2020 until further instructions, with a view that banks must conserve capital in an environment of heightened uncertainty caused by COVID-19 pandemic. Accordingly, the Board of Directors of the Bank have not recommended any dividend for the year 2019-20 (Previous Year 70% i.e ₹ 1.40/- per Equity Share).
 - 14 During the quarter and year ended March 31, 2020, the Bank has invested ₹ 5,920.00 Lakhs and ₹ 6,420.00 Lakhs respectively in its subsidiaries (₹ 500.00 Lakhs in Preference shares with face value ₹ 10 each of Federal Operations and Services Limited & ₹ 5,920.00 Lakhs in equity shares with face value ₹ 10 each of Fedbank Financial Services Limited) and ₹ Nil and ₹ 66.61 Lakhs in Preference shares with face value ₹ 5 each respectively in its associate Equirus Capital Private Limited.
 - 15 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the respective financial year.
 - 16 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Kochi
May 28, 2020

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020
(₹ in Lakhs)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash Flow from Operating Activities		
Net Profit before taxes	208,739	199,387
Adjustments for:		
Depreciation on Group's Property	12,573	12,226
Depreciation on Investments	6,350	9,909
Amortisation of Premium on Held to Maturity Investments	7,401	5,289
Provision for Non Performing Investments	537	2,028
Provision / Charge for Non Performing Assets	101,249	63,395
Provision for Standard Assets	11,181	10,007
(Profit)/ Loss on sale of fixed assets (net)	(517)	(1,820)
(Income) / Loss From Associate	(3,771)	(3,556)
Provision for Restructured assets	(1,030)	-
Provision for Other Contingencies	435	426
	343,147	297,291
Adjustments for working capital changes:-		
(Increase)/ Decrease in Investments [excluding Held to Maturity Investments]	40,226	203,966
(Increase)/ Decrease in Advances	(1,432,606)	(1,915,898)
(Increase)/ Decrease in Other Assets	(261,437)	(71,660)
Increase/ (Decrease) in Deposits	1,737,297	2,290,883
Increase/ (Decrease) in Other liabilities and provisions	16,536	54,390
	100,016	561,681
Direct taxes paid	(70,107)	(71,708)
Net Cash Flow from / (Used in) Operating Activities	373,056	787,264
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(15,446)	(14,417)
Proceeds from Sale of Fixed Assets	903	2,153
Investment in Subsidiary	(6,420)	(500)
Investment in Associate	(67)	(685)
(Increase)/ Decrease in Held to Maturity Investments	(448,227)	(324,553)
Net Cash generated / (Used in) Investing Activities	(469,257)	(338,002)
Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	152	258
Proceeds from Share Premium	8,257	15,674
Increase / (Decrease) in Minority Interest	9,137	6,375
Proceeds from Issue of Subordinate Debt	30,000	-
Increase/(Decrease) in Borrowings (Excluding Subordinate Debt)	352,143	(362,097)
Dividend Paid (Including Tax on Dividend)	(33,541)	(23,871)
Net Cash generated from financing Activities	366,148	(363,661)
Effect of exchange fluctuation on translation reserve	437	225
Increase/(Decrease) in Cash and Cash Equivalents	270,384	85,826
Cash and Cash Equivalents at the beginning of year	1,005,347	919,521
Cash and Cash Equivalents at the end of year	1,275,731	1,005,347

Note:

Cash and Cash Equivalents comprise of Cash in hand (including foreign currency notes), Balances with Reserve Bank of India, Balances with banks and money at call and short notice.

Kochi
May 28, 2020

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)