

PRESS RELEASE**Federal Bank records highest ever operating profit of Rs.1135 Cr (Grows by 22% Y-o-Y)**

Federal Bank announced the Unaudited Financial Results for the quarter ended 30th June 2021. The key highlights of the results on a Y-o-Y basis are as follows:

- Operating profit grows 21.75% to reach Rs. 1135.18 Cr
- Net total income grows 15.90% to reach Rs.2068.58 Cr
- Gold Loans register growth of 53.90% to reach Rs. 15764 Cr
- Retail Advances grow 15.15% to reach Rs.43599.03 Cr

Commenting on the results and financial performance, Mr. Shyam Srinivasan, Managing Director & CEO, Federal Bank said “The external environment continues to be challenging however we have managed to keep our operating momentum intact by delivering our highest ever operating profit, for the quarter. Our CASA ratio is at an all-time high and we continue to build a granular liability franchise with more than 90% of our deposits being retail in nature. Our relationship with the NR diaspora continues to blossom with our share in personal inward remittances increasing to 18.20%. We have also managed to keep asset quality in check with only a marginal uptick in GNPA and NNPA. Investors believe in our brand and its operational efficiency which was testified by a reputed investor like IFC with their decision to invest in the Bank to the tune of 4.99%”

Balance Sheet

The Total Business of the Bank reached Rs. 299158.36 Cr registering Y-o-Y growth of 8.30% as on 30th June 2021. Total Deposits reached Rs. 169393.30 Cr registering Y-o-Y growth of 9.33%. Net advances grew by 6.98% Y-O-Y to reach Rs. 129765.06 Cr as on 30th June 2021.

The total Savings Bank deposit registered a growth of 18.71% to reach Rs. 49018.24 Cr as on 30th June 2021. CASA Deposits of the Bank stood at Rs. 58958.79 Cr registering a Y-o-Y growth of 18.83%. NRE Deposits of the Bank reached Rs. 66018.73 Cr registering a Y-o-Y growth of 9.53% as on 30th June 2021. NRE SB grew to reach Rs. 20010.09 Cr registering a Y-o-Y growth of 14.92%.

On the Assets side, Gold Loan registered a growth of 53.90% Y-o-Y to reach Rs. 15764.00 Cr as on 30th June 2021. Retail advances grew by 15.15% to reach Rs.43599.03 Cr as on 30th June 2021. Commercial banking advances registered a Y-o-Y growth of 10.23% to reach Rs. 12865.20 Cr. Agri advances grew by 23.71% to reach Rs.16837.24 Cr.

Operating Profit & Net Profit

The Operating Profit of the Bank as on 30th June 2021 stood at Rs. 1135.18 Cr up from Rs. 932.38 Cr. Total Income reached Rs.4005.86 Cr as on 30th June 2021. Net Profit of the Bank for the quarter ended June 2021 stood at Rs. 367.29 Cr.

Income

Net Interest Income grew 9.41% on a Y-o-Y basis from Rs.1296.44 Cr to Rs.1418.43 Cr as on 30th June 2021. Other income grew by 33.13% to reach Rs.650.15 Cr, compared to Rs.488.37 Cr as on 30th June 2020. Net total income of the Bank grew 15.90% to reach Rs.2068.58 Cr.

Key Ratios

- ROA & ROE of the Bank for the quarter stood at 0.76% and 9.03% respectively
- Net Interest Margin as on 30th June 2021 stood at 3.15%
- Cost to income ratio of the Bank has been contained at 45.12% clocking a reduction of 264 bps Y-o-Y
- EPS of the Bank on an annualized basis stands at Rs 7.38

Asset Quality

Gross NPA of the Bank as at the end of the quarter stood at Rs. 4649.33 Cr, which as a percentage of Gross Advances comes to 3.50%. Net NPA as on 30th June 2021 stood at Rs.1593.24 Cr, and Net NPA as a percentage of Net Advances is at 1.23%. The Provision Coverage Ratio (including technical write-offs) was strengthened substantially and stood at 78.66%.

NET WORTH & CAPITAL ADEQUACY

The Bank's Net worth on a Y-o-Y basis increased from Rs.14922.82 Cr as on 30th June 2020 to Rs. 16488.53 Cr as on 30th June 2021. The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 14.64% as at the end of the quarter. Book Value per share increased to Rs. 82.60 from Rs. 74.85.

Footprint

The Bank had 1272 branches and 1953 ATM/recyclers as on 30th June 2021.

WORKING RESULTS AT A GLANCE

(Rs.in Cr)

Particulars	Q1	Q1	% y-o-y growth
	2021-22	2020-21	
Net Interest Income	1418.43	1296.44	↑9.41%
Other Income	650.15	488.37	↑33.13%
Net Total Income	2068.58	1784.81	↑15.90%
Operating Profit	1135.18	932.38	↑21.75%

MAJOR FINANCIAL INDICATORS (Standalone Nos)

(Rs. in Cr)

Business Figures	As on 30.06.2021	As on 30.6.2020	Growth (%)
Total Deposits	169393.30	154937.74	↑9.33%
CASA Deposits	58958.79	49615.50	↑18.83%
Net Advances	129765.06	121296.96	↑6.98%
Retail Advances	43599.03	37864.25	↑15.15%
Bus. Banking Advances	10781.66	10138.63	↑6.34%
Agri Advances	16837.24	13609.70	↑23.71%
Investments	37390.94	34748.57	↑7.60%
Capital			
Equity Capital	399.26	398.75	
Net Worth	16488.53	14922.82	↑10.49%
Capital Adequacy (%)	14.64	14.17	
Tier I (%)	13.87	13.01	
Tier II (%)	0.77	1.17	

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