

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, 2021
(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited (Refer Note 16 below)	Unaudited	Audited (Refer Note 16 below)	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	336,634	345,952	339,684	1,375,791	1,321,075
(a) Interest/discount on advances/bills	265,844	271,321	272,435	1,079,512	1,067,087
(b) Income on investments	57,669	57,361	56,529	234,894	218,407
(c) Interest on balances with Reserve Bank of India and other inter bank funds	6,620	11,469	4,686	36,817	13,996
(d) Others	6,501	5,801	6,034	24,568	21,585
2. Other income	46,537	48,184	71,111	194,491	193,141
3. TOTAL INCOME (1+2)	383,171	394,136	410,795	1,570,282	1,514,216
4. Interest expended	194,596	202,248	218,083	822,420	856,185
5. Operating expenses (i)+(ii)	100,066	95,598	96,780	369,172	337,561
(i) Employees cost	52,523	52,564	51,906	203,418	177,236
(ii) Other operating expenses	47,543	43,034	44,874	165,754	160,325
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	294,662	297,846	314,863	1,191,592	1,193,746
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	88,509	96,290	95,932	378,690	320,470
8. Provisions (other than tax) and contingencies	24,233	42,062	56,750	164,963	117,217
9. Exceptional items	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	64,276	54,228	39,182	213,727	203,253
11. Tax expense	16,495	13,818	9,059	54,697	48,975
12. Net Profit from Ordinary Activities after tax (10-11)	47,781	40,410	30,123	159,030	154,278
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit for the period (12-13)	47,781	40,410	30,123	159,030	154,278
15. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	39,923	39,917	39,853	39,923	39,853
16. Reserves excluding Revaluation Reserve				1,571,937	1,411,407
17. Analytical Ratios					
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%) Under Basel III	14.62	14.31	14.35	14.62	14.35
(iii) Earnings per Share (EPS) (in ₹)					
(a) Basic EPS (before and after extra ordinary items)	2.39*	2.03*	1.51*	7.97	7.76
(b) Diluted EPS (before and after extra ordinary items)	2.38*	2.02*	1.50*	7.94	7.70
(iv) NPA Ratios					
a) Gross NPA	460,239	347,018	353,083	460,239	353,083
b) Net NPA	156,928	75,724	160,717	156,928	160,717
c) % of Gross NPA	3.41	2.71	2.84	3.41	2.84
d) % of Net NPA	1.19	0.60	1.31	1.19	1.31
(v) Return on Assets (%)	0.25*	0.21*	0.17*	0.85	0.94

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited (Refer Note 16 below)	Unaudited	Audited (Refer Note 16 below)	Audited	Audited
Segment Revenue:					
Treasury	57,592	61,868	68,574	273,996	226,846
Corporate/Wholesale Banking	103,540	104,742	120,575	456,152	489,365
Retail Banking	221,795	227,526	221,646	839,890	798,005
Other Banking operations	-	-	-	-	-
Unallocated	244	-	-	244	-
Total Revenue	383,171	394,136	410,795	1,570,282	1,514,216
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	383,171	394,136	410,795	1,570,282	1,514,216
Segment Results (net of provisions):					
Treasury	13,207	12,234	15,023	72,223	41,518
Corporate/Wholesale Banking	17,355	(1,994)	(18,908)	22,275	17,058
Retail Banking	33,470	43,986	43,263	118,985	145,113
Other Banking operations	-	-	-	-	-
Unallocated	244	2	(196)	244	(436)
Profit before tax	64,276	54,228	39,182	213,727	203,253
Segment Assets					
Treasury	4,525,111	4,510,555	3,787,323	4,525,111	3,787,323
Corporate/Wholesale Banking	7,146,590	6,674,295	7,056,243	7,146,590	7,056,243
Retail Banking	7,813,657	7,428,474	6,480,887	7,813,657	6,480,887
Other Banking operations	-	-	-	-	-
Unallocated	651,381	1,071,333	739,352	651,381	739,352
Total	20,136,739	19,684,657	18,063,805	20,136,739	18,063,805
Segment Liabilities					
Treasury	1,413,771	1,342,363	1,627,269	1,413,771	1,627,269
Corporate/Wholesale Banking	1,602,533	1,494,931	1,258,540	1,602,533	1,258,540
Retail Banking	15,306,693	15,084,901	13,458,149	15,306,693	13,458,149
Other Banking operations	-	-	-	-	-
Unallocated	201,381	197,972	268,086	201,381	268,086
Total	18,524,378	18,120,167	16,612,044	18,524,378	16,612,044
Capital employed:					
(Segment Assets - Segment Liabilities)					
Treasury	3,111,340	3,168,192	2,160,054	3,111,340	2,160,054
Corporate/Wholesale Banking	5,544,057	5,179,364	5,797,703	5,544,057	5,797,703
Retail Banking	(7,493,036)	(7,656,427)	(6,977,262)	(7,493,036)	(6,977,262)
Other Banking operations	-	-	-	-	-
Unallocated	450,000	873,361	471,266	450,000	471,266
Total	1,612,361	1,564,490	1,451,761	1,612,361	1,451,761

@ 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, 2021 is given below:

(₹ in Lakhs)

Particulars	As at	As at
	31.03.2021	31.03.2020
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	39,923	39,853
Reserves and Surplus	1,572,438	1,411,908
Deposits	17,264,448	15,229,008
Borrowings	906,850	1,037,243
Other Liabilities and Provisions	353,080	345,793
Total	20,136,739	18,063,805
ASSETS		
Cash and Balances with Reserve Bank of India	764,704	617,491
Balance with Banks and Money at Call and Short Notice	1,194,435	639,967
Investments	3,718,621	3,589,268
Advances	13,187,860	12,226,791
Fixed assets	49,113	47,999
Other assets	1,222,006	942,289
Total	20,136,739	18,063,805

Notes:

- 1 The above Standalone Financial Results for the quarter and year ended March 31, 2021 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 17, 2021. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank and an unqualified audit report has been issued.
- 2 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, 2021 and March 31, 2020.
- 3 Pursuant to Board approved policy on preparation of segment information, the Bank, with effect from quarter ended June 30, 2020, has revised the basis of preparation of segment information on a direct identification basis with the aid of Internal Transfer pricing mechanism for more appropriate presentation of the segment results. Accordingly, figures for the previous periods have been regrouped / reclassified to conform to current period's classification.

The change in segment information has no impact on the overall Revenue, Results, and Capital employed of the bank for the quarter and year ended March 31, 2021 or the previous periods/year.

- 4 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 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, 2021, the Bank has allotted 297,515 and 3,488,176 equity shares of ₹ 2 each respectively, pursuant to the exercise of stock options by employees.
- 9 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.
- 10 On account of uncertainties arising from the COVID-19 pandemic across the world and in India, including the current 'second wave' which has resulted in imposition of renewed restrictions in various parts of the country, the extent to which the same will impact the Bank's operations and financial position will depend on various aspects including actions taken to mitigate its impact and other regulatory measures. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.

As per the 'COVID-19 Regulatory Packages' announced by the RBI ('the RBI guidelines'), with regard to providing relief to borrowers', 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 August 31, 2020, including relaxation in certain parameters to all eligible borrowers, without considering the same as restructuring. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The Honourable Supreme Court in a writ petition by Gajendra Sharma Vs Union of India & Anr vide its interim order dated September 3, 2020 had directed Banks that the accounts which were not declared Non performing asset (NPA) till August 31, 2020 shall not be declared NPA till further orders, pending disposal of the case by Supreme Court. Pursuant to the order, the Bank had not declared any account as NPA, which was not declared as NPA till August 31, 2020 as per the RBI Prudential norms on Income Recognition, Asset classification, and provisioning pertaining to advances, although the Bank held sufficient provisions in respect of these advances and as a prudent measure, did not recognize the unrealized interest on these accounts as income. Pending final decision in this regard, the Bank had created adequate provisions to cover any likely impact arising therefrom, which was carried under Other liabilities and Provisions' in the Balance sheet of the Bank as at December 31, 2020. The interim order to not declare accounts as NPA has been vacated by the Honourable Supreme Court on March 23, 2021 vide judgement in the matter of Small-Scale Industrial Manufacturers Association vs. UOI & Ors and RBI has issued a circular dated April 07, 2021 thereon, in accordance with which the Bank has made the asset classification of borrower accounts which were granted moratorium as above, as per the applicable extant IRAC norms with effect from September 1, 2020.

As stated above, the Bank held a provision of ₹ 53,669.00 Lakhs as on December 31, 2020 against the likely impact of COVID-19, including the RBI mandated provision as per such guidelines. During the current quarter, the bank has utilized ₹ 6,089.00 Lakhs from the above provision for creation of RBI mandated provision for advances restructured under "Resolution framework for COVID-19 related stress" and an amount of ₹ 47,580.00 Lakhs towards the provision required as per extant IRAC norms.

11 In accordance with the scheme announced by the Government of India on October 23, 2020 for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (March 01, 2020 to August 31,2020), the Bank had submitted the requisite claim amounting to ₹ 3,014.95 Lakhs and credited the accounts of the eligible borrowers. Further, in accordance with the decision of the Honourable Supreme Court on March 23, 2021 in the matter of Small-Scale Industrial Manufacturers Association vs. UOI & Ors instructions, the aforesaid RBI circular dated April 07, 2021 and the methodology for calculation of the amount as notified by the Indian Banks Association (IBA), the Bank has created a provision of ₹ 2,100.00 Lakhs towards estimated refund/adjustment of compound interest/interest on interest/penal interest charged to the borrowers not covered under the above ex-gratia scheme during the moratorium period i.e. March 1, 2020 to August 31, 2020 and reduced the same from interest income.

12 The Board of Directors have recommended a dividend of 35% i.e. ₹ 0.70/- per Equity Share on face value of ₹ 2/- each for the year 2020-21 (Previous Year ₹ Nil per Equity Share) subject to the approval of the members at the ensuing Annual General Meeting. In terms of Accounting Standard (AS) 4 "Contingencies and Events occurring after the Balance sheet date" the Bank has not appropriated proposed dividend aggregating to ₹ 13,973.05 Lakhs from the Profit and loss account for the year ended March 31, 2021. However the effect of the proposed dividend has been reckoned in determining capital funds in the computation of Capital adequacy ratio as on March 31, 2021.

13 The disclosures as required under RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 is given below

(₹ in Lakhs)	
Amounts in SMA/overdue categories, where the moratorium/deferment was extended (As of March 31, 2020)	371,262.00
Amount where asset classification benefits is extended (As on March 31, 2021)	73,235.00
Provisions made on such accounts	7,323.00
Provisions adjusted against slippages in terms of paragraph 6 of the circular	3,849.00
Residual provision utilised for other accounts in terms of paragraph 6 of the circular	3,474.00

14 Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below.

Type of borrower	(₹ in lakhs except number of accounts)				
	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	3,967	94,958.61	-	-	9,495.86
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	88	4,411.80	-	-	441.18
Total	4,055	99,370.41	-	-	9,937.04

15 The disclosures as required under RBI circular DOR.No.BP.BC.62/21.04.048/2020-21 dated April 17, 2020 with respect to the number of accounts and the Amount involved in those accounts where the Resolution period was extended is given below for the year ended as on March 31, 2021:

No. of accounts in which Resolution Period was extended	1
Amount Involved (₹ in Lakhs)	1,691.00

16 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 subjected to limited review.

17 The figures for the quarter and year ended March 31, 2020 were audited by predecessor statutory auditors.

18 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Kochi
May 17, 2021

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, 2021

(₹ in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Cash Flow from Operating Activities		
Net Profit before taxes	213,727	203,253
Adjustments for:		
Depreciation on Bank's Property	10,450	11,946
Depreciation on Investments	1,121	6,319
Amortisation of Premium on Held to Maturity Investments	14,219	7,401
Provision for Non Performing Investments	390	537
Provision / Charge for Non Performing Assets	151,573	101,047
Provision for Standard Assets	11,062	9,908
(Profit)/Loss on sale of fixed assets (net)	(178)	(535)
Provision for Restructured assets	(160)	(1,030)
Provision for Other Contingencies	977	435
	403,181	339,281
Adjustments for working capital changes:-		
(Increase)/ Decrease in Investments [excluding Held to Maturity Investments]	233,748	33,635
(Increase)/ Decrease in Advances	(1,112,641)	(1,305,543)
(Increase)/ Decrease in Other Assets	(274,050)	(257,121)
Increase/ (Decrease) in Deposits	2,035,439	1,733,574
Increase/ (Decrease) in Other liabilities and provisions	(5,158)	12,216
	877,338	216,761
Direct taxes paid	(59,799)	(67,635)
Net Cash Flow from / (Used in) Operating Activities	1,220,720	488,407
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(11,779)	(13,046)
Proceeds from Sale of Fixed Assets	392	842
Investment in Subsidiary	5,861	(6,420)
Investment in Associate	80	(67)
(Increase)/ Decrease in Held to Maturity Investments	(384,772)	(448,227)
Net Cash generated / (Used in) Investing Activities	(390,218)	(466,918)
Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	70	152
Proceeds from Share Premium	1,310	3,131
Proceeds from Issue of Subordinate Debt	-	30,000
Increase/(Decrease) in Borrowings (Excluding Subordinate Debt)	(130,392)	229,110
Dividend Paid (Including Tax on Dividend)	-	(33,541)
Net Cash generated from Financing Activities	(129,012)	228,852
Effect of exchange fluctuation on translation reserve	191	437
Net Increase in Cash and Cash Equivalents	701,681	250,778
Cash and Cash Equivalents at the beginning of the year	1,257,458	1,006,680
Cash and Cash Equivalents at the end of the year	1,959,139	1,257,458

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 17, 2021

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, 2021
(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited (Refer Note 17 below)	Unaudited	Audited (Refer Note 17 below)	Audited	Audited
1. Interest earned (a)+(b)+(c)+(d)	351,586	360,423	354,448	1,431,408	1,359,039
(a) Interest/discount on advances/bills	281,071	286,093	286,778	1,135,314	1,104,518
(b) Income on investments	57,110	56,781	56,560	233,829	218,550
(c) Interest on balances with Reserve Bank of India and other inter bank funds	6,619	11,469	4,686	36,816	13,996
(d) Others	6,786	6,080	6,424	25,449	21,975
2. Other income	48,057	48,454	67,839	195,786	188,181
3. TOTAL INCOME (1+2)	399,643	408,877	422,287	1,627,194	1,547,220
4. Interest expended	200,321	207,579	222,137	843,496	867,831
5. Operating expenses (i)+(ii)	106,484	101,078	102,416	389,867	354,670
(i) Employees cost	56,200	56,210	55,371	217,202	187,598
(ii) Other operating expenses	50,284	44,868	47,045	172,665	167,072
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	306,805	308,657	324,553	1,233,363	1,222,501
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	92,838	100,220	97,734	393,831	324,719
8. Provisions (other than tax) and contingencies	25,563	43,934	57,794	172,975	118,722
9. Exceptional items	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	67,275	56,286	39,940	220,856	205,997
11. Tax expense	17,250	14,319	9,645	56,136	50,720
12. Net Profit from Ordinary Activities after tax (10-11)	50,025	41,967	30,295	164,720	155,277
13. Extraordinary items (net of tax expense)	-	-	-	-	-
14. Net Profit for the period (12-13)	50,025	41,967	30,295	164,720	155,277
15. Minority interest	567	394	437	1,524	1,028
16. Share in Profit of Associates	2,666	241	3,046	3,237	3,771
17. Consolidated Net Profit of the group (14-15+16)	52,124	41,814	32,904	166,433	158,020
18. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	39,923	39,917	39,853	39,923	39,853
19. Reserves excluding Revaluation Reserve				1,609,799	1,441,882
20. Analytical Ratios					
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%) Under Basel III	15.19	14.63	14.63	15.19	14.63
(iii) Earnings per Share (EPS) (in ₹)					
(a) Basic EPS (before and after extra ordinary items)	2.61*	2.10*	1.65*	8.34	7.94
(b) Diluted EPS (before and after extra ordinary items)	2.59*	2.09*	1.64*	8.31	7.88
(iv) NPA Ratios					
a) Gross NPA	464,639	350,521	358,015	464,639	358,015
b) Net NPA	160,471	78,449	164,953	160,471	164,953
c) % of Gross NPA	3.35	2.67	2.82	3.35	2.82
d) % of Net NPA	1.18	0.61	1.32	1.18	1.32
(v) Return on Assets (%)	0.26*	0.21*	0.18*	0.86	0.92

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited (Refer Note 17 below)	Unaudited	Audited (Refer Note 17 below)	Audited	Audited
Segment Revenue:					
Treasury	57,114	61,412	67,607	273,135	223,796
Corporate/Wholesale Banking	102,437	103,742	117,824	451,907	486,614
Retail Banking	239,848	243,723	236,856	901,908	836,810
Other Banking operations	-	-	-	-	-
Unallocated	244	-	-	244	-
Total Revenue	399,643	408,877	422,287	1,627,194	1,547,220
Less: Inter Segment Revenue	-	-	-	-	-
Income from Operations	399,643	408,877	422,287	1,627,194	1,547,220
Segment Results (net of provisions):					
Treasury	13,322	12,395	14,056	72,226	38,436
Corporate/Wholesale Banking	16,289	(2,197)	(17,546)	21,547	18,421
Retail Banking	37,420	46,086	41,844	126,839	149,576
Other Banking operations	-	-	1,782	-	-
Unallocated	244	2	(196)	244	(436)
Profit before tax	67,275	56,286	39,940	220,856	205,997
Segment Assets					
Treasury	4,479,657	4,480,398	3,765,464	4,479,657	3,765,464
Corporate/Wholesale Banking	7,083,959	6,608,639	6,997,531	7,083,959	6,997,531
Retail Banking	8,282,563	7,864,126	6,832,986	8,282,563	6,832,986
Other Banking operations	-	-	-	-	-
Unallocated	650,474	1,070,904	739,352	650,474	739,352
Total	20,496,653	20,024,067	18,335,333	20,496,653	18,335,333
Segment Liabilities					
Treasury	1,403,276	1,361,413	1,626,174	1,403,276	1,626,174
Corporate/Wholesale Banking	1,609,960	1,502,304	1,291,143	1,609,960	1,291,143
Retail Banking	15,611,703	15,344,065	13,649,598	15,611,703	13,649,598
Other Banking operations	-	-	-	-	-
Unallocated	199,818	197,146	268,086	199,818	268,086
Total	18,824,757	18,404,928	16,835,001	18,824,757	16,835,001
Capital employed:					
(Segment Assets - Segment Liabilities)					
Treasury	3,076,381	3,118,985	2,139,290	3,076,381	2,139,290
Corporate/Wholesale Banking	5,473,999	5,106,335	5,706,388	5,473,999	5,706,388
Retail Banking	(7,329,140)	(7,479,939)	(6,816,612)	(7,329,140)	(6,816,612)
Other Banking operations	-	-	-	-	-
Unallocated	450,656	873,758	471,266	450,656	471,266
Total	1,671,896	1,619,139	1,500,332	1,671,896	1,500,332

@ 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, 2021 is given below:

(₹ in Lakhs)

Particulars	As at	As at
	31.03.2021	31.03.2020
	Audited	Audited
CAPITAL AND LIABILITIES		
Capital	39,923	39,853
Reserves and Surplus	1,610,300	1,442,383
Minority Interest	21,673	18,096
Deposits	17,218,611	15,225,191
Borrowings	1,227,060	1,252,772
Other Liabilities and Provisions	379,086	357,038
Total	20,496,653	18,335,333
ASSETS		
Cash and Balances with Reserve Bank of India	765,451	618,254
Balance with Banks and Money at Call and Short Notice	1,216,123	657,477
Investments	3,673,167	3,571,539
Advances	13,551,441	12,484,950
Fixed assets	51,749	50,481
Other assets	1,238,722	952,632
Total	20,496,653	18,335,333

Notes:

- 1 The above Consolidated Financial Results for the quarter and year ended March 31, 2021 were reviewed by the Audit Committee and subsequently taken on record and approved by the Board of Directors at its meeting held on May 17, 2021. These Results have been subjected to "Audit" by the Statutory Central Auditors of the Bank and an unqualified audit report has been issued.
- 2 The Consolidated Financial Results of the Group comprise the financial results of The Federal Bank Limited and its subsidiaries viz. Fedbank Financial Services Limited & Federal Operations and Services Limited and its associates viz. Ageas Federal Life Insurance Company Limited & Equirus Capital Private Limited.
- 3 There has been no material change in the accounting policies adopted during the quarter and year ended March 31, 2021 as compared to those followed for the year ended March 31, 2020.
- 4 Pursuant to Board approved policy on preparation of segment information, the Bank, with effect from quarter ended June 30, 2020, has revised the basis of preparation of segment information on a direct identification basis with the aid of Internal Transfer pricing mechanism for more appropriate presentation of the segment results. Accordingly, figures for the previous periods have been regrouped / reclassified to conform to current period's classification.

The change in segment information has no impact on the overall Revenue, Results, and Capital employed of the bank for the quarter and year ended March 31, 2021 or the previous periods/year.

- 5 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.
- 6 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.
- 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, 2021, the Bank has allotted 297,515 and 3,488,176 equity shares of ₹ 2 each respectively, pursuant to the exercise of stock options by employees.
- 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 On account of uncertainties arising from the COVID-19 pandemic across the world and in India, including the current 'second wave' which has resulted in imposition of renewed restrictions in various parts of the country, the extent to which the same will impact the Bank's operations and financial position will depend on various aspects including actions taken to mitigate its impact and other regulatory measures. The Bank's capital and liquidity position is strong and would continue to be the focus area for the Bank during this period.

As per the 'COVID-19 Regulatory Packages' announced by the RBI ('the RBI guidelines'), with regard to providing relief to borrowers', 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 August 31, 2020, including relaxation in certain parameters to all eligible borrowers, without considering the same as restructuring. In respect of such accounts that were granted moratorium, the asset classification remained standstill during the moratorium period.

The Honourable Supreme Court in a writ petition by Gajendra Sharma Vs Union of India & Anr vide its interim order dated September 3, 2020 had directed Banks that the accounts which were not declared Non performing asset (NPA) till August 31, 2020 shall not be declared NPA till further orders, pending disposal of the case by Supreme Court. Pursuant to the order, the Bank had not declared any account as NPA, which was not declared as NPA till August 31, 2020 as per the RBI Prudential norms on Income Recognition, Asset classification, and provisioning pertaining to advances, although the Bank held sufficient provisions in respect of these advances and as a prudent measure, did not recognize the unrealized interest on these accounts as income. Pending final decision in this regard, the Bank had created adequate provisions to cover any likely impact arising therefrom, which was carried under Other liabilities and Provisions' in the Balance sheet of the Bank as at December 31, 2020. The interim order to not declare accounts as NPA has been vacated by the Honourable Supreme Court on March 23, 2021 vide judgement in the matter of Small-Scale Industrial Manufacturers Association vs. UOI & Ors and RBI has issued a circular dated April 07, 2021 thereon, in accordance with which the Bank has made the asset classification of borrower accounts which were granted moratorium as above, as per the applicable extant IRAC norms with effect from September 1, 2020.

As stated above, the Bank held a provision of ₹ 53,669.00 Lakhs as on December 31, 2020 against the likely impact of COVID-19, including the RBI mandated provision as per such guidelines. During the current quarter, the bank has utilized ₹ 6,089.00 Lakhs from the above provision for creation of RBI mandated provision for advances restructured under "Resolution framework for COVID-19 related stress" and an amount of ₹ 47,580.00 Lakhs towards the provision required as per extant IRAC norms.

12 In accordance with the scheme announced by the Government of India on October 23, 2020 for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (March 01, 2020 to August 31,2020), the Bank had submitted the requisite claim amounting to ₹ 3,014.95 Lakhs and credited the accounts of the eligible borrowers. Further, in accordance with the decision of the Honourable Supreme Court on March 23, 2021 in the matter of Small-Scale Industrial Manufacturers Association vs. UOI & Ors instructions, the aforesaid RBI circular dated April 07, 2021 and the methodology for calculation of the amount as notified by the Indian Banks Association (IBA), the Bank has created a provision of ₹ 2,100.00 Lakhs towards estimated refund/adjustment of compound interest/interest on interest/penal interest charged to the borrowers not covered under the above ex-gratia scheme during the moratorium period i.e. March 1, 2020 to August 31, 2020 and reduced the same from interest income.

13 The Board of Directors have recommended a dividend of 35% i.e. ₹ 0.70/- per Equity Share on face value of ₹ 2/- each for the year 2020-21 (Previous Year ₹ Nil per Equity Share) subject to the approval of the members at the ensuing Annual General Meeting. In terms of Accounting Standard (AS) 4 "Contingencies and Events occurring after the Balance sheet date" the Bank has not appropriated proposed dividend aggregating to ₹ 13,973.05 Lakhs from the Profit and loss account for the year ended March 31, 2021. However the effect of the proposed dividend has been reckoned in determining capital funds in the computation of Capital adequacy ratio as on March 31, 2021.

14 The disclosures as required under RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 is given below

	(₹ in Lakhs)
Amounts in SMA/overdue categories, where the moratorium/deferment was extended (As of March 31, 2020)	371,262.00
Amount where asset classification benefits is extended (As on March 31, 2021)	73,235.00
Provisions made on such accounts	7,323.00
Provisions adjusted against slippages in terms of paragraph 6 of the circular	3,849.00
Residual provision utilised for other accounts in terms of paragraph 6 of the circular	3,474.00

15 Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below.

	(₹ in lakhs except number of accounts)				
Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	3,967	94,958.61	-	-	9,495.86
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	88	4,411.80	-	-	441.18
Total	4,055	99,370.41	-	-	9,937.04

16 The disclosures as required under RBI circular DOR.No.BP.BC.62/21.04.048/2020-21 dated April 17, 2020 with respect to the number of accounts and the Amount involved in those accounts where the Resolution period was extended is given below for the year ended as on March 31, 2021:

No. of accounts in which Resolution Period was extended	1
Amount Involved (₹ in Lakhs)	1,691.00

17 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 subjected to limited review.

18 The figures for the quarter and year ended March 31, 2020 were audited by predecessor statutory auditors.

19 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Kochi
May 17, 2021

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, 2021
(₹ in Lakhs)

	Year ended March 31, 2021	Year ended March 31, 2020
Cash Flow from Operating Activities		
Net Profit before taxes	222,569	208,739
Adjustments for:		
Depreciation on Group's Property	11,492	12,573
Depreciation on Investments	1,474	6,350
Amortisation of Premium on Held to Maturity Investments	14,219	7,401
Provision for Non Performing Investments	390	537
Provision / Charge for Non Performing Assets	154,368	101,249
Provision for Standard Assets	15,926	11,181
(Profit)/ Loss on sale of fixed assets (net)	(180)	(517)
(Income) / Loss From Associates	(3,236)	(3,771)
Provision for Restructured assets	(160)	(1,030)
Provision for Other Contingencies	977	435
	417,839	343,147
Adjustments for working capital changes:-		
(Increase)/ Decrease in Investments [excluding Held to Maturity Investments]	264,357	40,226
(Increase)/ Decrease in Advances	(1,220,860)	(1,432,606)
(Increase)/ Decrease in Other Assets	(280,017)	(261,437)
Increase/ (Decrease) in Deposits	1,993,419	1,737,297
Increase/ (Decrease) in Other liabilities and provisions	5,967	16,536
	762,866	100,016
Direct taxes paid	(62,871)	(70,107)
Net Cash Flow from / (Used in) Operating Activities	1,117,834	373,056
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(12,993)	(15,446)
Proceeds from Sale of Fixed Assets	413	903
Investment in Subsidiary	5,861	(6,420)
Investment in Associate	80	(67)
(Increase)/ Decrease in Held to Maturity Investments	(384,772)	(448,227)
Net Cash generated / (Used in) Investing Activities	(391,411)	(469,257)
Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	70	152
Proceeds from Share Premium	1,293	8,257
Increase / (Decrease) in Minority Interest	3,577	9,137
Proceeds from Issue of Subordinate Debt	-	30,000
Increase/(Decrease) in Borrowings (Excluding Subordinate Debt)	(25,712)	352,143
Dividend Paid (Including Tax on Dividend)	-	(33,541)
Net Cash generated from financing Activities	(20,772)	366,148
Effect of exchange fluctuation on translation reserve	191	437
Increase/(Decrease) in Cash and Cash Equivalents	705,842	270,384
Cash and Cash Equivalents at the beginning of the year	1,275,731	1,005,347
Cash and Cash Equivalents at the end of the year	1,981,573	1,275,731

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 17, 2021

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)