

**PRESS RELEASE****Federal Bank delivers highest ever quarterly net profit at ₹ 541 Cr**

Federal Bank announced its audited financial results for the quarter and year ended 31<sup>st</sup> March 2022 today.

**Highlights**

- Net Profit @ ₹ 541 Cr, grew by 13% YoY
- ROA for Q4 at 1.03% and ROE at 11.93%
- CASA grew by 15% YoY and CASA Ratio at all-time high level of 36.94%
- The Capital Adequacy Ratio (CRAR) of the Bank stood at 15.77%, up by 115 bps YoY
- Core Fee Income @ ₹453 Cr, increase of 25% YoY & 10% QoQ
- GNPA and NNPA brought down to 2.80% and 0.96% respectively
- Agri Business grew by 20% YoY
- Business Banking grew by 15% & Commercial Banking grew by 12% YoY
- Market Share in Personal Inward remittance business at 20.16% (Q3 FY22)

Commenting on the results and financial performance, Mr. Shyam Srinivasan, Managing Director & CEO, Federal Bank said, "Notwithstanding the turbulent times outside, we have delivered an encouraging performance for FY22. Despite the absorption of a large one-off expense, the ROA and ROE have met the guided levels of 1.03% and 11.93% respectively. The Bank also registered its highest ever Net Profit for a quarter @ ₹ 541 Cr. Asset quality of the Bank has been resilient and demonstrates the underwriting, monitoring and collection capabilities of the Bank. Credit cost for FY22 was at a new low at 45 bps. We have played the turbulent times reasonably well and are now on the path to sustained growth momentum with various enablers in place."

## Working Results at a Glance

(₹ in Crore)

Particulars	Quarter Ended On			Year Ended On		
	31-03-22	31-03-21	Growth %	31-03-22	31-03-21	Growth %
Net Profit	540.54	477.81	↑13.13%	1889.82	1,590.30	↑18.83%
Operating Profit	798.20	897.25	↓11.04%	3,757.85	3,800.69	↓01.13%
Net Interest Income	1525.21	1,420.37	↑07.38%	5,961.96	5,533.71	↑07.74%

### OPERATING REVIEW

#### **Total Business**

The total business of the Bank reached ₹ 3,29,340.02 Cr as on 31<sup>st</sup> March 2022 from ₹ 3,07,521.19 Cr as on 31<sup>st</sup> March 2021, registering a growth of 7.10%.

#### **Credit Growth**

Gross Advances reached ₹ 1,47,639.45 Cr as on 31<sup>st</sup> March 2022 from ₹ 1,34,876.71 Cr as on 31<sup>st</sup> March 2021 registering a growth of 9.46%. Agri Advances registered a growth of 19.93% to reach ₹ 19,238.00 Cr from ₹ 16,041.43 Cr. Business Banking Advances registered a growth of 15.00% to reach ₹ 13,869.00 Cr. Commercial Banking Advances registered a growth of 12.00% to reach ₹ 14,806.00 Cr.

#### **Deposit Growth**

Deposits recorded a growth of 5.25% to reach ₹ 1,81,700.57 Cr as on 31<sup>st</sup> March 2022 from ₹ 1,72,644.48 Cr as on 31<sup>st</sup> March 2021. The CASA deposits reached ₹ 67,121.21 Cr as on 31<sup>st</sup> March 2022. CASA Ratio stands at 36.94%. Resident Savings Bank deposit registered a growth of 16.04% to reach ₹ 29,953.44 Cr as on 31<sup>st</sup> March 2022.

#### **Operating Profit & Net Profit**

The Bank delivered an annual operating profit of ₹ 3,757.85 Cr as on 31<sup>st</sup> March 2022. The annual net profit is at ₹ 1,889.82 Cr as on 31<sup>st</sup> March 2022 up from ₹ 1,590.30 Cr as on 31<sup>st</sup> March 2021.

#### **Income & Margins**

Annual Net Interest Income increased from ₹ 5,533.71 Cr to ₹ 5,961.96 Cr registering a growth of 7.74% as on 31<sup>st</sup> March 2022. Net Interest Margin stood at 3.20 % for FY22. Net total income registered a growth of 7.46% to reach Rs. 8,051.05 Cr.

#### **Asset Quality**

The Gross NPA of the Bank as on 31<sup>st</sup> March 2022 stood at ₹ 4,136.74 Cr. Gross NPA as a percentage to Gross Advances is 2.80% as on 31<sup>st</sup> March 2022. The Net NPA stood at ₹ 1,392.62 Cr and Net NPA percentage is at 0.96% as on 31<sup>st</sup> March 2022. The Provision Coverage Ratio stood at 65.54% as on 31<sup>st</sup> March 2022.

## Capital Adequacy & Net worth

The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines, stood at 15.77% as on 31<sup>st</sup> March 2022, up by 115 bps YoY. The Net Worth of the Bank was at ₹ 18660. 98Cr as on 31<sup>st</sup> March 2022.

## Dividend

The Board of directors at its meeting held today has recommended a dividend of 90% per equity share having face value of 2 for the year ended 31st March 2022. The dividend will be paid after the approval of shareholders at the Annual General Meeting.

## Awards & Accolades

- Won Finnoviti Award instituted by Banking Frontiers for 'Fed-E-Studio', the self-service banking kiosk for customers
- Won the award for Best use of Cloud in Banking at the 3rd Annual BFSI Technology Excellence Awards 2022
- Winner of 'Best Fintech Adoption', runner up for 'Best Technology Bank of the Year', and special mention award for 'Best Cloud Adoption' at IBA's 17th Banking Annual Technology Awards
- Winner of Finacle Client Innovation Awards in the mid-size bank segment in 5 categories namely Corporate Banking Digitization (Automatic Opening of Accounts through BPM), Customer Journey Reimagination (Fed-e-Point self-service customer portal), Modern Technologies-led Innovation (AI based Digital Lending Platform), Process Innovation (Be Your Own Master - Top Up Demand Loan) and Product Innovation (Cross Border Remittance Automation and Insta-Demat). The Bank also emerged as a runner up in the category Ecosystem-led Innovation (Neo-Banking)
- Recognized as the 'Best mid-sized Bank' in the 26th 'Business Today - KPMG Annual Survey
- Recognized as a Great Place to Work in a study conducted by the Great Place to Work® Institute for the second time in a row

## Major Partnership

- Partnered with Mashreq Bank to facilitate NR account opening for Indians in UAE, making it first of its kind
- Partnered with BSE to promote listing of SMEs & Start-Ups
- Partnered with Central Board of Indirect Taxes and Customs to help customers pay their taxes through various channels of the Bank

## Footprint

The Bank has 1282 branches, 1885 ATMs/ Recyclers as on 31<sup>st</sup> March 2022. The Bank also has its Representative Offices at Abu Dhabi and Dubai and an IFSC Banking Unit (IBU) in Gujarat International Finance Tec-City (GIFT City).

## **Q4FY22 Vs Q4FY21**

- Resident Savings Bank deposit registered a growth of 16.04% to reach ₹ 29,953.44 Cr
- Total Deposits grew from ₹ 1,72,644.48 Cr to ₹ 1,81,700.57 Cr registering a growth of 5.25%
- CASA recorded a growth of 14.99% to reach ₹ 67,121.21 Cr
- NRE deposits reached ₹ 67,416.25 Cr from ₹ 63,958.84 Cr registering a growth of 5.41%
- CV/CE advances grew 40.11% to reach Rs. 1275.00 Cr
- Gross Advances increased from ₹ 1,34,876.71 Cr to ₹ 1,47,639.45 Cr registering a growth of 9.46%
- Business Banking Advances and Commercial Banking Advances grew 15.00% and 12% to reach ₹ 13,869.00 Cr and ₹ 14,806.00 Cr respectively
- Agri advances reached ₹ 19,238.00 Cr from ₹ 16,041.43 Cr registering a growth of 19.93 %

## **Major Financial Indicators (Standalone Nos.)**

(₹ in Cr)

Business Figures	Year Ended On		
	31-03-2022	31-03-2021	Growth %)
Total Deposits	1,81,700.57	1,72,644.48	↑05.25%
CASA	67,121.21	58,370.48	↑14.99%
Gross Advances	1,47,639.45	1,34,876.71	↑09.46%
Retail Advances	47,593.13	44,866.14	↑06.08%
Agri Advances	19,238.00	16,041.43	↑19.93%
Business Banking Advances	13,869.00	12,030.00	↑15.28%
Gross NPA (%)	2.80%	3.41%	
Net NPA (%)	0.96%	1.19%	
<b>Capital</b>			
Equity Capital	420.51	399.23	
Net Worth	18,660.98	16,111.20	↑15.83%
Capital Adequacy (%)	15.77%	14.62%	
Tier I (%)	14.43%	13.85%	
Tier II (%)	1.34%	0.78%	

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A presentation for investors is being placed separately on our Bank's website: [www.federalbank.co.in](http://www.federalbank.co.in)

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