

PRESS RELEASE**Federal Bank delivers highest ever quarterly net profit at ₹ 477.81 Cr**

Federal Bank announced its audited financial results for the quarter and year ended 31st March 2021 today.

Highlights

- Recorded highest ever Quarterly Net Profit of ₹ 477.81 Cr, up by 58.60% on a YoY basis
- RoA crossed 1% and stood at 1.02%, and RoE at 12.20%
- Net Interest Income grew by 17% (YoY) to reach ₹ 1420 Cr
- Total business crossed landmark figure of ₹ 3 Lakh crore and stood at ₹ 3,04,523.08, registering a growth of 10.91%
- Gold Loans registered a staggering growth of 70.05%
- CASA grew by 25.66%

Commenting on the results and financial performance, Mr. Shyam Srinivasan, Managing Director & CEO, Federal Bank said, "We delivered our highest ever quarterly profit despite an extremely challenging environment. I liken this to a test match win where every player did his part on a seaming and yet viciously turning track while the weather too was playing truant. It's a tribute to our Federal spirit and we are pleased that the many awards and recognitions that came along the way motivated us to raise the bar. Inspired by this experience, the team is hopeful of navigating yet another year that looks quite daunting at the start. Some of the segments such as Gold Loans and CASA continue to shine for us with gold loans registering a staggering growth of 70.05%. The Asset quality held up well and Net NPA of 1.19% placed the bank amongst the best in the industry. The Provision coverage ratio was maintained along guided lines @ 65.14%. The Bank, during the past financial year managed to bag a series of awards and accolades, for Best Bank, Fastest growing bank, Great Place to work and several awards for its Digital initiatives. Bank has several new initiatives lined up and would be launching Credit Cards for its customers shortly."

Working Results at a Glance

(₹ in Crore)

| Particulars | Quarter Ended On | | | Year Ended On | | |
|---------------------|------------------|----------|----------|---------------|----------|----------|
| | 31-03-21 | 31-03-20 | Growth % | 31-03-21 | 31-03-20 | Growth % |
| Net Profit | 477.81 | 301.23 | ↑58.62% | 1,590.30 | 1,542.78 | ↑03.08% |
| Operating Profit | 885.09 | 959.31 | ↓07.74% | 3,786.90 | 3,204.69 | ↑18.17% |
| Net Interest Income | 1,420.37 | 1,216.02 | ↑16.80% | 5,533.70 | 4,648.90 | ↑19.03% |

OPERATING REVIEW

Total Business

The total business of the Bank reached ₹ 3,04,523.08 Cr as on 31st March 2021 from ₹ 2,74,557.99 Cr as on 31st March 2020, registering a growth of 10.91%.

Credit Growth

Gross Advances reached ₹ 1,34,876.71 Cr as on 31st March 2021 from ₹ 1,24,153.18 Cr as on 31st March 2020 registering a growth of 8.64%. Retail advances grew by 18.57% to reach ₹ 44,910.14 Cr as on 31st March 2021 from ₹ 37,877.97 Cr as on 31st March 2020. Gold loans registered a staggering growth of 70.05% to reach ₹ 15,816.00 Cr as on 31st March 2021. Business Banking advances grew by 12.93% to reach ₹ 11,890.05 Cr.

Deposit Growth

Deposits recorded a growth of 13.37% to reach ₹ 1,72,644.48 Cr as on 31st March 2021 from ₹ 1,52,290.09 Cr as on 31st March 2020. The CASA deposits reached ₹ 58,370.48 Cr as on 31st March 2021. CASA Ratio stands at 33.81%. The NRE deposits of the Bank posted a growth of 11.77% during the year to reach ₹ 63,958.84 Cr as on 31st March 2021.

Operating Profit & Net Profit

The Bank delivered an annual operating profit of ₹ 3,786.90 Cr as on 31st March 2021 against ₹ 3,204.69 Cr as on 31st March 2020 registering a growth of 18.17%. The annual net profit is at ₹ 1,590.30 Cr as on 31st March 2021 up from ₹ 1,542.78 Cr as on 31st March 2020.

Income & Margins

Annual Net Interest Income increased from ₹ 4,648.90 Cr to ₹ 5,533.70 Cr registering a growth of 19.03% as on 31st March 2021 while the quarterly Net Interest Income increased to ₹ 1,420.37 Cr from ₹ 1,216.02 Cr as on 31st March 2020. Other income as on 31st March 2021 stands at ₹ 1,944.91 Cr. Net Interest Margin stood at 3.16% for FY21 while the quarterly Net Interest Margin stood at 3.23%.

Asset Quality

The Gross NPA of the Bank as on 31st March 2021 stood at ₹ 4,602.39 Cr. Gross NPA as a percentage to Gross Advances is 3.41% as on 31st March 2021. The Net NPA stood at ₹ 1,569.28 Cr and Net NPA percentage is at 1.19% as on 31st March 2021. The Provision Coverage Ratio stood at 65.14% as on 31st March 2021.

Capital Adequacy & Net worth

The Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines, stood at 14.62% as on 31st March 2021. The Net Worth of the Bank was at ₹ 16,123.61 Cr as on 31st March 2021.

Dividend

The Board of directors at its meeting held today has recommended a dividend of 35% per equity share having face value of ₹ 2 for the year ended 31st March 2021. The dividend will be paid after the approval of shareholders at the Annual General Meeting.

Awards & Accolades

- MD & CEO conferred with Business Standard Banker of the year award
- Adjudged Best Bank and Fastest Growing Bank by Business Today and KPMG respectively
- Great Place to Work by GTPW
- Winner – Most Innovative Project and Runner Up – Best IT Risk & Cyber Security Initiatives and Best Technology Bank of the year at the IBA's 16th Annual Technology Awards

Major Partnership

- Partners with fintech epiFi to offer neo banking services
- Partners with DGV to automate the payment life cycle of GCMMF (Gujarat Cooperative Milk Marketing Federation Ltd.) covering 36 lakh farmers who are supplying milk to Amul
- Partners with Mashreq Bank to ease remittances to the country

Footprint

The Bank has 1272 branches, 1947 ATMs/ Recyclers as on 31st March 2021. 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).

Q4FY21 Vs Q4FY20

- Total Deposits registered a growth of 13.37% to reach ₹ 1,72,644.48 Cr from ₹ 1,52,290.09 Cr
- NRE deposits reached ₹ 63,958.84 Cr from ₹ 57,223.13 Cr registering a growth of 11.77%
- Gross Advances increased from ₹ 1,24,153.18 Cr to ₹ 1,34,876.71 Cr registering a growth of 8.64%
- Gold Loans continue to register a staggering growth, reaching ₹ 15,816.00 Cr from ₹ 9,301.00 Cr, registering a growth of 70.05%

- Retail Advances grew by 18.57% to reach ₹ 44,910.14 Cr from ₹ 37,877.97 Cr
- Agri advances reached ₹ 16,076.43 Cr from ₹ 13,051.26 Cr registering a growth of 23.18 %
- Business Banking advances grew by 12.93% to reach ₹ 11,890.05 Cr from ₹ 10,528.75 Cr

Major Financial Indicators (Standalone Nos.)

(₹ in Cr)

| Business Figures | Year Ended On | | |
|---------------------------|---------------|-------------|-----------|
| | 31-03-2021 | 31-03-2020 | Growth %) |
| Total Deposits | 1,72,644.48 | 1,52,290.09 | ↑13.37% |
| CASA | 58,370.48 | 46,450.24 | ↑25.66% |
| Gross Advances | 1,34,876.71 | 1,24,153.18 | ↑08.64% |
| Retail Advances | 44,910.14 | 37,877.97 | ↑18.57% |
| Agri Advances | 16,076.43 | 13,051.26 | ↑23.18% |
| Business Banking Advances | 11,890.05 | 10,528.75 | ↑12.93% |
| Gross NPA (%) | 3.41% | 2.84% | |
| Net NPA (%) | 1.19% | 1.31% | |
| Capital | | | |
| Equity Capital | 399.23 | 398.53 | |
| Net Worth | 16,123.61 | 14,517.61 | ↑11.06% |
| Capital Adequacy (%) | 14.62% | 14.35% | |
| Tier I (%) | 13.85% | 13.29% | |
| Tier II (%) | 0.77% | 1.06% | |

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A presentation for investors is being placed separately on our Bank's website: www.federalbank.co.in