

The Manager The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	The Manager Department of Corporate Services BSE Limited, Phiroze Jeejeebhoy Towers, Floor 25, Dalal Street, Mumbai- 400 001
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Ref.: Scrip Symbol: FEDERALBNK/Scrip Code: 500469

Dear Madam/ Sir,

Sub: Outcome of the Board Meeting held on January 16, 2024 - Unaudited Financial Results for the quarter and nine months ended December, 2023

Pursuant to Regulation 30, 33, 52 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are sending herewith the Unaudited Financial Results of the Bank for the quarter and nine months ended December, 2023 (both standalone and consolidated) along with Limited Review Report issued by the Joint Statutory Auditors of the Bank, which were reviewed and recommended by Audit Committee of the Board and duly approved by the Board of Directors at their respective meetings held today.

The Board Meeting commenced at 11:00 am and concluded at 12.10 pm.

The above information is also being hosted on the Bank's website, www.federalbank.co.in as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly take the same on record.

Yours faithfully,

For The Federal Bank Limited

Samir P Rajdev
Company Secretary

Encl: as above

M S K A & Associates
602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali,
Railway Colony, Ram Nagar, Goregaon (E),
Mumbai 400 063.

Suri & Co
Guna Complex, No.443 & 445,
4th Floor Main Building,
Anna Salai, Teynampet,
Chennai 600 018.

Independent Auditor's Review Report on standalone unaudited financial results for the quarter and nine months ended December 31, 2023 of The Federal Bank Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**The Board of Directors of
The Federal Bank Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results of The Federal Bank Limited ('the Bank') for the quarter and nine months ended December 31, 2023 ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations') except, for the disclosures relating to Pillar 3 as at December 31, 2023, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note 9 to the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 'Interim Financial Reporting' ('AS 25') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder, in so far as they apply to the Banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time ('the RBI Guidelines'), other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review, conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in AS 25, prescribed under Section 133 of the Act read with relevant rules issued thereunder, the RBI Guidelines and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed or that it contains material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosures as at December 31, 2023, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note 9 to the Statement and have not been reviewed by us.

5. The Statement includes standalone financial results of the Bank for the corresponding quarter and nine months ended December 31, 2022, which were reviewed by another auditor whose report dated January 16, 2023 expressed an unmodified opinion on those results. The Statement also includes the standalone financial statements of the Bank for the year ended March 31, 2023 which were audited by another auditors whose report dated May 05, 2023 expressed an unmodified opinion on the standalone financial statements.

Our conclusion is not modified in respect of this matter.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration Number: 105047W

For **Suri & Co**
Chartered Accountants
ICAI Firm Registration Number: 004283S

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 24117812BKFD1933

Mumbai
January 16, 2024

G. Rengarajan
Partner
Membership Number: 219922
UDIN: 24219922BKCLPC8636

Kochi
January 16, 2024

THE FEDERAL BANK LIMITED REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101 (CIN: L65191KL1931PLC000368) STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023 (₹ in Lakhs)						
Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023 Unaudited	30.09.2023 Unaudited	31.12.2022 Unaudited	31.12.2023 Unaudited	31.12.2022 Unaudited	31.03.2023 Audited
1. Interest earned (a)+(b)+(c)+(d)	573,010	545,528	443,325	1,620,991	1,208,289	1,680,363
(a) Interest/discount on advances/bills	459,757	435,548	358,487	1,299,263	969,441	1,349,184
(b) Income on investments	95,024	89,397	72,069	265,907	201,755	279,557
(c) Interest on balances with Reserve Bank of India and other inter bank funds	7,929	9,028	4,977	24,050	15,474	20,625
(d) Others	10,300	11,555	7,792	31,771	21,619	30,997
2. Other income	86,256	73,042	53,400	232,539	159,614	233,000
3. TOTAL INCOME (1+2)	659,266	618,570	496,725	1,853,530	1,367,903	1,913,363
4. Interest expended	360,674	339,886	247,672	1,011,154	676,002	957,147
5. Operating expenses (i)+(ii)	154,859	146,239	121,632	435,963	345,919	476,777
(i) Employees cost	69,315	62,631	56,083	193,620	157,578	217,300
(ii) Other operating expenses	85,544	83,608	65,549	242,343	188,341	259,477
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	515,533	486,125	369,304	1,447,117	1,021,921	1,433,924
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	143,733	132,445	127,421	406,413	345,982	479,439
8. Provisions (other than tax) and contingencies	9,122	4,390	19,869	29,070	63,323	74,989
9. Exceptional items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	134,611	128,055	107,552	377,343	282,659	404,450
11. Tax expense	33,937	32,673	27,191	95,913	71,861	103,391
12. Net Profit from Ordinary Activities after tax (10-11)	100,674	95,382	80,361	281,430	210,798	301,059
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	100,674	95,382	80,361	281,430	210,798	301,059
15. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	48,668	47,032	42,291	48,668	42,291	42,324
16. Reserves excluding Revaluation Reserve						2,107,799
17. Analytical Ratios and Other Disclosures:						
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)						
Under Basel III	15.02	15.50	13.35	15.02	13.35	14.81
(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic EPS (before and after extraordinary items)	4.16*	4.17*	3.80*	12.36*	10.00*	14.27
(b) Diluted EPS (before and after extraordinary items)	4.11*	4.12*	3.75*	12.21*	9.91*	14.13
(iv) NPA Ratios						
a) Gross NPA	462,879	443,605	414,785	462,879	414,785	418,377
b) Net NPA	128,437	122,981	122,859	128,437	122,859	120,501
c) % of Gross NPA	2.29	2.26	2.43	2.29	2.43	2.36
d) % of Net NPA	0.64	0.64	0.73	0.64	0.73	0.69
(v) Return on Assets (%)	0.35*	0.34*	0.33*	1.02*	0.92*	1.28
(vi) Net Worth	2,808,472	2,603,207	2,045,675	2,808,472	2,045,675	2,141,949
(vii) Outstanding Redeemable Preference Shares	NIL	NIL	NIL	NIL	NIL	NIL
(viii) Capital Redemption Reserve	NIL	NIL	NIL	NIL	NIL	NIL
(ix) Debenture Redemption Reserve	NIL	NIL	NIL	NIL	NIL	NIL
(x) Debt - Equity Ratio #	0.61	0.74	0.96	0.61	0.96	0.90
(xi) Total Debts to Total Assets #	5.85%	6.67%	7.86%	5.85%	7.86%	7.42%
(xii) Operating Margin	21.80%	21.41%	25.65%	21.93%	25.29%	25.06%
(xiii) Net Profit Margin	15.27%	15.42%	16.18%	15.18%	15.41%	15.73%

* Not Annualised

Debt and Total Debts represents Total Borrowings of the Bank

Segment Information[®]

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	96,796	88,824	60,885	262,863	182,818	253,996
Corporate/Wholesale Banking	180,205	181,524	138,045	525,974	369,539	524,048
Retail Banking	375,990	342,915	293,526	1,050,022	805,303	1,120,482
<i>a) Digital Banking</i>	38,689	36,622	23,960	105,651	63,988	90,354
<i>b) Other Retail Banking</i>	337,301	306,293	269,566	944,371	741,315	1,030,128
Other Banking operations	6,119	5,204	4,153	14,272	9,906	14,350
Unallocated	156	103	116	399	337	487
Total Revenue	659,266	618,570	496,725	1,853,530	1,367,903	1,913,363
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	659,266	618,570	496,725	1,853,530	1,367,903	1,913,363
Segment Results (net of provisions):						
Treasury	21,713	16,790	9,576	49,758	40,625	50,577
Corporate/Wholesale Banking	34,950	44,512	26,155	119,486	55,510	95,399
Retail Banking	72,591	62,228	68,175	195,570	177,767	245,789
<i>a) Digital Banking</i>	6,813	4,680	4,071	15,013	6,866	11,359
<i>b) Other Retail Banking</i>	65,778	57,548	64,104	180,557	170,901	234,430
Other Banking operations	5,201	4,423	3,530	12,131	8,420	12,198
Unallocated	156	102	116	398	337	487
Profit before tax	134,611	128,055	107,552	377,343	282,659	404,450
Segment Assets:						
Treasury	6,086,667	5,746,602	4,907,856	6,086,667	4,907,856	5,230,629
Corporate/Wholesale Banking	11,041,676	10,593,983	9,375,662	11,041,676	9,375,662	9,699,651
Retail Banking	11,791,138	11,679,738	9,982,259	11,791,138	9,982,259	10,441,427
<i>a) Digital Banking</i>	630,958	554,182	355,734	630,958	355,734	416,592
<i>b) Other Retail Banking</i>	11,160,180	11,125,556	9,626,525	11,160,180	9,626,525	10,024,835
Other Banking operations	-	-	-	-	-	-
Unallocated	701,768	722,279	781,411	701,768	781,411	662,476
Total	29,621,249	28,742,602	25,047,188	29,621,249	25,047,188	26,034,183
Segment Liabilities:						
Treasury	2,741,387	2,966,715	2,607,512	2,741,387	2,607,512	2,913,818
Corporate/Wholesale Banking	3,194,204	2,969,197	2,245,069	3,194,204	2,245,069	2,424,409
Retail Banking	20,496,375	19,883,203	17,797,499	20,496,375	17,797,499	18,277,723
<i>a) Digital Banking</i>	1,454,321	1,371,578	1,082,117	1,454,321	1,082,117	1,203,720
<i>b) Other Retail Banking</i>	19,042,054	18,511,625	16,715,382	19,042,054	16,715,382	17,074,003
Other Banking operations	-	-	-	-	-	-
Unallocated	372,135	311,604	338,338	372,135	338,338	267,609
Total	26,804,101	26,130,719	22,988,418	26,804,101	22,988,418	23,883,559
Capital Employed:						
(Segment Assets - Segment Liabilities)						
Treasury	3,345,280	2,779,887	2,300,344	3,345,280	2,300,344	2,316,811
Corporate/Wholesale Banking	7,847,472	7,624,786	7,130,593	7,847,472	7,130,593	7,275,242
Retail Banking	(8,705,237)	(8,203,465)	(7,815,240)	(8,705,237)	(7,815,240)	(7,836,296)
<i>a) Digital Banking</i>	(823,363)	(817,396)	(726,383)	(823,363)	(726,383)	(787,128)
<i>b) Other Retail Banking</i>	(7,881,874)	(7,386,069)	(7,088,857)	(7,881,874)	(7,088,857)	(7,049,168)
Other Banking operations	-	-	-	-	-	-
Unallocated	329,633	410,675	443,073	329,633	443,073	394,867
Total	2,817,148	2,611,883	2,058,770	2,817,148	2,058,770	2,150,624

[®] For the above segment reporting, the reportable segments are identified as Treasury, Corporate/Wholesale Banking, Retail Banking (with Digital Banking and Other Retail Banking as sub-segments) and Other Banking Operations in compliance with the RBI guidelines.

The business operations of the Bank are substantially concentrated in India and for the purpose of Segment Reporting as per Accounting Standard-17, the bank is considered to operate only in domestic segment.

Notes:

- 1 The above Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2023 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 16, 2024. These results have been subjected to limited review by the Joint Statutory Auditors of the Bank and an unqualified review report has been issued.
- 2 The Bank has consistently applied its significant accounting policies in the preparation of the interim financial results as those followed in the annual financial statements for the year ended March 31, 2023.
- 3 The financial results have been arrived at after considering provision for standard assets (including requirements for exposures to entities with unhedged foreign currency exposures), provision for Non-Performing Assets (NPAs), provision for non-performing investments, provision for income-tax and other usual and necessary provisions.
- 4 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), profit / loss on revaluation of investments, dividend received from subsidiaries / associates, recoveries from advances written off, etc.
- 5 The Capital Adequacy Ratio is computed on the basis of Reserve Bank of India (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.
- 6 During the quarter and nine months ended December 31, 2023, the Bank has allotted 9,109,679 and 14,023,554 equity shares of ₹ 2 each respectively, pursuant to the exercise of stock options by employees.
- 7 During the quarter and half year September 30, 2023, the Bank had issued 230,477,634 equity shares of ₹ 2 each for cash pursuant to a Qualified Institution Placement (QIP) as per the relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at ₹ 131.90 per share aggregating to ₹ 304,000.00 Lakhs (including share premium). This resulted in an increase of ₹ 4,609.55 Lakhs in Share Capital and ₹ 295,416.80 Lakhs (net of issue expenses) in Share premium account.
- 8 During the quarter and nine months ended December 31, 2023, the Bank has issued 72,682,048 equity shares of ₹ 2 each for cash pursuant to a Preferential Allotment as per the relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at ₹ 131.91 per share aggregating to ₹ 95,874.89 Lakhs (including share premium). This resulted in an increase of ₹ 1,453.64 Lakhs in Share Capital and ₹ 94,361.59 Lakhs (net of issue expenses) in Share premium account.
- 9 As per extant RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III framework. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <https://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to audit or review by the Joint Statutory Auditors of the Bank.
- 10 Disclosures as per 'Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021' dated September 24, 2021 for the loans transferred / acquired during the nine months ended December 31, 2023 are given below:

i) Details of loans not in default acquired through assignment during the nine months ended December 31, 2023 are given below:

Particulars	Value
Aggregate amount of loans acquired (₹ in lakhs)	138,359.74
Weighted average residual maturity (in years)	8.43
Weighted average holding period by originator (in years)	1.25
Retention of beneficial economic interest by the originator (₹ in lakhs)	15,373.30
Tangible security coverage	157.10%

The loans acquired are not rated as the same are to non-corporate borrowers.

ii) Details of non-performing assets (NPAs) transferred are given below:

Particulars	(₹ in lakhs except number of accounts)		
	To ARCs	To Permitted Transferees	To other Transferees
Number of accounts	6	-	-
Aggregate principal outstanding of loans transferred	1,824.09	-	-
Weighted average residual tenor of the loans transferred (in years)	1.83	-	-
Net book value of loans transferred (at the time of transfer)	167.77	-	-
Aggregate consideration	1,200.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-
Provisions reversed to the profit and loss account on account of sale of stressed loans	492.29	-	-

iii) During the nine months ended December 31, 2023, the Bank has not acquired any stressed loans and not transferred any loan not in default / Special Mention Accounts (SMA).

iv) During the nine months ended December 31, 2023, the Bank has invested ₹510.00 lakhs in Security Receipts (SR) issued by an Asset Reconstruction Company (ARC) pursuant to transfer of Non-Performing asset to ARC, which is unrated.

- 11 The figures for the quarter and nine months ended December 31, 2022 and year ended March 31, 2023 were reviewed / audited by previous Joint Statutory Auditors.
- 12 Previous period's figures have been regrouped / reclassified, wherever necessary to conform to current period's classification.

M S K A & Associates
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Suri & Co
Guna Complex, No.443 & 445,
4th Floor Main Building,
Anna Salai, Teynampet,
Chennai 600 018.

Independent Auditor's Review Report on consolidated unaudited financial results for the quarter and nine months ended December 31, 2023 of The Federal Bank Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**The Board of Directors
The Federal Bank Limited**

1. We have reviewed the accompanying statement of consolidated unaudited financial results of The Federal Bank Limited ('the Bank') and its subsidiaries (the Bank and its subsidiaries together referred to as 'the Group'), its share of the net profit after tax of its associates for the quarter and nine months ended December 31, 2023 ('the Statement'), being submitted by the Bank pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations') except, for the disclosures relating to consolidated Pillar 3 as at December 31, 2023, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note 7 to the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ('AS 25'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, in so far as they apply to the Banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time ('the RBI Guidelines') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33 (8) of the Regulations, to the extent applicable.

4. The Statement includes the results/financial information of the Bank and the following entities:

Sr. No	Name of the Entity	Relationship with the Bank
a.	Fedbank Financial Services Limited	Subsidiary
b.	Federal Operations and Services Limited	Subsidiary
c.	Ageas Federal Life Insurance Company Limited	Associate
d.	Equirus Capital Private Limited	Associate

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 6 below and based on the financial information certified by the Management for the subsidiary and the associates as stated in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in AS 25 prescribed under Section 133 of the Act, read with relevant rules issued thereunder, RBI Guidelines and other recognised accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters except, for the disclosures relating to consolidated Pillar 3 disclosure as at December 31, 2023, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Note 7 to the Statement and have not been reviewed by us.

6. We did not review the interim financial information of one subsidiary included in the Statement, whose interim financial information reflect total revenues of Rs. 1,999 lakhs and Rs. 5,692 lakhs and total net profit after tax of Rs. 149 lakhs and Rs. 429 lakhs for the quarter and nine months ended December 31, 2023, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management of the Bank and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, is based solely on the reports of the other auditors.

Our conclusion is not modified in respect of the above matter.

7. The Statement includes the interim financial information of one subsidiary which have not been reviewed by their auditor, whose interim financial information reflect total revenues of Rs. 43,014 lakhs and Rs. 1,19,735 lakhs and total net profit after tax of Rs. 5,501 lakhs and Rs. 15,184 lakhs for the quarter and nine months ended December 31, 2023, respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 403 lakhs and Rs. 1,273 lakhs for the quarter and nine months ended December 31, 2023, respectively, as considered in the Statement, in respect of two associates, based on their interim financial information which have not been reviewed by their auditors. These interim financial information have been furnished to us by the Management and our conclusion on the Statement in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on such management prepared unaudited interim financial information. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our conclusion is not modified in respect of the above matter.

8. The Statement includes the consolidated financial results of the Bank for the quarter and nine months ended December 31, 2022, which were reviewed by another auditors whose report dated January 16, 2023, expressed an unmodified conclusion on those consolidated financial results. The Statement also includes the consolidated financial statements of the Bank for the year ended March 31, 2023 which were audited by another auditors whose report dated May 05, 2023 expressed an unmodified opinion on the consolidated financial statements.

Our conclusion is not modified in respect of the above matter.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration Number: 105047W

For **Suri & Co**
Chartered Accountants
ICAI Firm Registration Number: 004283S

Swapnil Kale
Partner
Membership Number: 117812
UDIN: 24117812BKFD9350

G. Rengarajan
Partner
Membership Number: 219922
UDIN: 24219922BKCLPB2699

Mumbai
January 16, 2024

Kochi
January 16, 2024

THE FEDERAL BANK LIMITED REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101 (CIN: L65191KL1931PLC000368) CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023 (₹ in Lakhs)						
Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	608,520	579,128	469,750	1,722,625	1,279,952	1,781,178
(a) Interest/discount on advances/bills	494,736	469,147	384,986	1,400,176	1,041,833	1,450,788
(b) Income on investments	94,776	89,237	71,785	265,488	200,627	278,188
(c) Interest on balances with Reserve Bank of India and other inter bank funds	7,929	9,028	4,977	24,050	15,474	20,625
(d) Others	11,079	11,716	8,002	32,911	22,018	31,577
2. Other income	90,835	75,692	56,508	240,658	166,781	243,623
3. TOTAL INCOME (1+2)	699,355	654,820	526,258	1,963,283	1,446,733	2,024,801
4. Interest expended	375,968	354,414	258,490	1,055,833	703,770	997,524
5. Operating expenses (i)+(ii)	170,021	160,378	132,986	477,343	376,205	521,120
(i) Employees cost	78,762	71,349	62,915	219,437	176,799	244,024
(ii) Other operating expenses	91,259	89,029	70,071	257,906	199,406	277,096
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	545,989	514,792	391,476	1,533,176	1,079,975	1,518,644
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	153,366	140,028	134,782	430,107	366,758	506,157
8. Provisions (other than tax) and contingencies	11,385	5,757	21,364	33,611	67,337	79,863
9. Exceptional items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	141,981	134,271	113,418	396,496	299,421	426,294
11. Tax expense	35,657	34,255	28,190	100,982	75,802	108,718
12. Net Profit from Ordinary Activities after tax (10-11)	106,324	100,016	85,228	295,514	223,619	317,576
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	106,324	100,016	85,228	295,514	223,619	317,576
15. Minority interest	3,185	1,260	1,278	5,823	3,546	4,510
16. Share in Profit of Associates	403	654	375	1,273	1,008	3,406
17. Consolidated Net Profit of the group (14-15+16)	103,542	99,410	84,325	290,964	221,081	316,472
18. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	48,668	47,032	42,291	48,668	42,291	42,324
19. Reserves excluding Revaluation Reserve						2,169,416
20. Analytical Ratios and Other Disclosures:						
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)						
Under Basel III	15.40	15.92	13.81	15.40	13.81	15.24
(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic EPS (before and after extraordinary items)	4.28*	4.35*	3.99*	12.78*	10.49*	15.01
(b) Diluted EPS (before and after extraordinary items)	4.22*	4.29*	3.94*	12.62*	10.39*	14.85
(iv) NPA Ratios						
a) Gross NPA	479,664	461,712	430,899	479,664	430,899	434,352
b) Net NPA	140,180	136,278	134,855	140,180	134,855	132,344
c) % of Gross NPA	2.28	2.27	2.42	2.28	2.42	2.35
d) % of Net NPA	0.68	0.68	0.77	0.68	0.77	0.73
(v) Return on Assets (%)	0.34*	0.34*	0.34*	1.01*	0.91*	1.28

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	97,756	89,241	61,099	263,430	182,026	253,555
Corporate/Wholesale Banking	178,730	180,218	137,246	522,578	366,937	520,704
Retail Banking	414,109	378,773	321,779	1,157,440	882,403	1,228,710
<i>a) Digital Banking</i>	38,689	36,622	23,960	105,651	63,988	90,354
<i>b) Other Retail Banking</i>	375,420	342,151	297,819	1,051,789	818,415	1,138,356
Other Banking operations	8,604	6,485	5,920	19,436	14,932	21,225
Unallocated	156	103	214	399	435	607
Total Revenue	699,355	654,820	526,258	1,963,283	1,446,733	2,024,801
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	699,355	654,820	526,258	1,963,283	1,446,733	2,024,801
Segment Results (net of provisions):						
Treasury	23,257	17,793	10,385	52,074	41,628	52,460
Corporate/Wholesale Banking	34,789	44,463	25,960	119,110	54,693	94,335
Retail Banking	77,680	66,419	72,405	210,118	191,520	261,538
<i>a) Digital Banking</i>	6,813	4,680	4,071	15,013	6,866	11,359
<i>b) Other Retail Banking</i>	70,867	61,739	68,334	195,105	184,654	250,179
Other Banking operations	6,099	5,494	4,455	14,796	11,146	15,817
Unallocated	156	102	213	398	434	2,144
Profit before tax	141,981	134,271	113,418	396,496	299,421	426,294
Segment Assets:						
Treasury	6,080,735	5,725,569	4,896,686	6,080,735	4,896,686	5,206,924
Corporate/Wholesale Banking	10,976,368	10,529,830	9,342,502	10,976,368	9,342,502	9,672,729
Retail Banking	12,782,695	12,626,779	10,775,908	12,782,695	10,775,908	11,256,964
<i>a) Digital Banking</i>	630,958	554,182	355,734	630,958	355,734	416,592
<i>b) Other Retail Banking</i>	12,151,737	12,072,597	10,420,174	12,151,737	10,420,174	10,840,372
Other Banking operations	1,014	351	798	1,014	798	1,313
Unallocated	701,768	722,279	781,411	701,768	781,411	662,476
Total	30,542,580	29,604,808	25,797,305	30,542,580	25,797,305	26,800,406
Segment Liabilities:						
Treasury	2,792,960	3,005,480	2,658,030	2,792,960	2,658,030	2,942,093
Corporate/Wholesale Banking	3,196,082	2,971,838	2,249,040	3,196,082	2,249,040	2,414,080
Retail Banking	21,190,006	20,596,656	18,402,087	21,190,006	18,402,087	18,928,892
<i>a) Digital Banking</i>	1,454,321	1,371,578	1,082,117	1,454,321	1,082,117	1,203,720
<i>b) Other Retail Banking</i>	19,735,685	19,225,078	17,319,970	19,735,685	17,319,970	17,725,172
Other Banking operations	356	356	314	356	314	294
Unallocated	372,135	311,604	338,338	372,135	338,338	267,609
Total	27,551,539	26,885,934	23,647,809	27,551,539	23,647,809	24,552,968
Capital Employed:						
(Segment Assets - Segment Liabilities)						
Treasury	3,287,775	2,720,089	2,238,656	3,287,775	2,238,656	2,264,831
Corporate/Wholesale Banking	7,780,286	7,557,992	7,093,462	7,780,286	7,093,462	7,258,649
Retail Banking	(8,407,311)	(7,969,877)	(7,626,179)	(8,407,311)	(7,626,179)	(7,671,928)
<i>a) Digital Banking</i>	(823,363)	(817,396)	(726,383)	(823,363)	(726,383)	(787,128)
<i>b) Other Retail Banking</i>	(7,583,948)	(7,152,481)	(6,899,796)	(7,583,948)	(6,899,796)	(6,884,800)
Other Banking operations	658	(5)	484	658	484	1,019
Unallocated	329,633	410,675	443,073	329,633	443,073	394,867
Total	2,991,041	2,718,874	2,149,496	2,991,041	2,149,496	2,247,438

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

The business operations of the Bank are substantially concentrated in India and for the purpose of Segment Reporting as per Accounting Standard-17, the bank is considered to operate only in domestic segment.

Notes:

- 1 The above Consolidated Unaudited Financial Results for the quarter and nine months ended December 31, 2023 were reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on January 16, 2024. These results have been subjected to limited review by the Joint Statutory Auditors of the Bank and an unqualified review 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 in the preparation of the interim financial results as compared to those followed for the year ended March 31, 2023.
- 4 The financial results have been arrived at after considering provision for standard assets (including requirements for exposures to entities with unhedged foreign currency exposures), provision for Non-Performing Assets (NPAs), provision for non-performing investments, provision for 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), profit / loss on revaluation of investments, recoveries from advances written off etc.
- 6 The Capital Adequacy Ratio is computed on the basis of Reserve Bank of India (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 As per extant RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio , liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III framework. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <https://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to audit or review by the Joint Statutory Auditors of the Bank.
- 8 During the quarter and half year September 30, 2023 , the Bank has issued 230,477,634 equity shares of ₹ 2 each for cash pursuant to a Qualified Institution Placement (QIP) as per the relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at ₹ 131.90 per share aggregating to ₹ 304,000.00 Lakhs (including share premium). This resulted in an increase of ₹ 4,609.55 Lakhs in Share Capital and ₹ 295,416.80 Lakhs (net of issue expenses) in Share premium account.
- 9 During the quarter and nine months ended December 31, 2023, the Bank has issued 72,682,048 equity shares of ₹ 2 each for cash pursuant to a Preferential Allotment as per the relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at ₹131.91 per share aggregating to ₹ 95,874.89 Lakhs (including share premium). This resulted in an increase of ₹ 1,453.64 Lakhs in Share Capital and ₹ 94,361.59 Lakhs (net of issue expenses) in Share premium account.
- 10 The figures for the quarter and nine months ended December 31, 2022 and year ended March 31, 2023 were reviewed / audited by previous Joint Statutory Auditors.
- 11 Previous period's figures have been regrouped / reclassified, wherever necessary to conform to current period's classification.

Kochi
January 16, 2024

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)