

SD/ F24/ /2022-23

October 14, 2022

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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Re: Scrip Symbol: FEDERALBNK/Scrip Code: 500469

Dear Sir,

Sub: Outcome of the Board Meeting held on October 14, 2022

Pursuant to Regulation 33 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 half year ended September 30, 2022 (both standalone and consolidated) along with Limited Review Report issued by the Joint Central 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 11.15 am and concluded at 12.00 pm.

Kindly take the same on record.

Thanking you,
Yours faithfully,
For The Federal Bank Limited

Samir P Rajdev
Company Secretary

Encl: As Above

Varma & Varma

Chartered Accountants,
No.53/2600, Kerala Varma Tower
Off Kunjanbava Road,
Vytilla,
Kochi -682019

Borkar & Muzumdar

Chartered Accountants
21/168, Anand Nagar, Om Co-op
Hsg Society, Anand Nagar Lane
Off Nehru Road, Santacruz(East)
Mumbai - 400 055

Limited Review Report on unaudited standalone financial results of The Federal Bank Limited for the quarter/half year ended 30th September 2022, pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (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 Unaudited Standalone Financial Results of The Federal Bank Limited ('the Bank') for the quarter/half year ended 30th September, 2022 ('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 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), except for the disclosures relating to Pillar 3 disclosure under Basel III Capital Regulations, as at 30th September 2022, 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 aforesaid Statement, which have not been reviewed by us.
2. The 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 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 accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance

as to whether the Statement is free of material misstatement. 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 limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Our review primarily is conducted on the basis of review of the books of account and records of the Bank. We have also relied on the information and explanations furnished to us by the Bank and the returns as considered necessary by us for the review.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Standalone Financial Results prepared in accordance with applicable accounting standards, the RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) 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 Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters, except for the aforesaid Pillar 3 disclosures as at 30th September 2022, 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 aforesaid Statement, which have not been reviewed by us.

For Varma & Varma
Chartered Accountants
FRM: 004532S

For Borker & Muzumdar
Chartered Accountants
FRN: 101569W

Vijay Narayan Govind
Partner
UDIN: 22203094AZQVAO6635

Kaushal Muzumdar
Partner
UDIN: 22100938AZQVGV7103

Kochi-19
14th October 2022

Mumbai-55
14th October 2022

THE FEDERAL BANK LIMITED						
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101						
(CIN: L65191KL1931PLC000368)						
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022						
(₹ in Lakhs)						
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	402,078	362,886	337,925	764,964	673,496	1,366,076
(a) Interest/discount on advances/bills	322,272	288,682	267,490	610,954	534,602	1,082,975
(b) Income on investments	66,737	62,949	58,116	129,686	117,175	233,867
(c) Interest on balances with Reserve Bank of India and other inter bank funds	6,017	4,480	6,662	10,497	10,324	22,027
(d) Others	7,052	6,775	5,657	13,827	11,395	27,207
2. Other income	60,952	45,262	49,165	106,214	113,990	208,909
3. TOTAL INCOME (1+2)	463,030	408,148	387,090	871,178	787,486	1,574,985
4. Interest expended	225,895	202,435	189,983	428,330	383,711	769,880
5. Operating expenses (i)+(ii)	115,911	108,376	105,899	224,287	199,239	429,320
(i) Employees cost	51,563	49,932	57,193	101,495	110,023	232,055
(ii) Other operating expenses	64,348	58,444	48,706	122,792	89,216	197,265
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	341,806	310,811	295,882	652,617	582,950	1,199,200
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	121,224	97,337	91,208	218,561	204,536	375,785
8. Provisions (other than tax) and contingencies	26,786	16,668	29,262	43,454	93,255	122,177
9. Exceptional items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	94,438	80,669	61,946	175,107	111,281	253,608
11. Tax expense	24,067	20,603	15,920	44,670	28,526	64,626
12. Net Profit from Ordinary Activities after tax (10-11)	70,371	60,066	46,026	130,437	82,755	188,982
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	70,371	60,066	46,026	130,437	82,755	188,982
15. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	42,191	42,070	42,030	42,191	42,030	42,051
16. Reserves excluding Revaluation Reserve						1,836,832
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	13.84	14.57	14.97	13.84	14.97	15.77
(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic EPS (before and after extraordinary items)	3.34*	2.86*	2.22*	6.20*	4.06*	9.13
(b) Diluted EPS (before and after extraordinary items)	3.31*	2.83*	2.20*	6.14*	4.04*	9.06
(iv) NPA Ratios						
a) Gross NPA	403,106	415,533	444,584	403,106	444,584	413,674
b) Net NPA	126,235	142,025	150,244	126,235	150,244	139,262
c) % of Gross NPA	2.46	2.69	3.24	2.46	3.24	2.80
d) % of Net NPA	0.78	0.94	1.12	0.78	1.12	0.96
(v) Return on Assets (%)	0.30*	0.27*	0.23*	0.58*	0.42*	0.94
(vi) Net Worth	1,961,782	1,926,696	1,755,194	1,961,782	1,755,194	1,866,098
(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 #	1.04	0.82	0.61	1.04	0.61	0.82
(xi) Total Debts to Total Assets #	8.61%	7.03%	5.21%	8.61%	5.21%	6.97%
(xii) Operating Margin	26.18%	23.85%	23.56%	25.09%	25.97%	23.86%
(xiii) Net Profit Margin	15.20%	14.72%	11.89%	14.97%	10.51%	12.00%

* Not Annualised

Debt and Total Debts represents Total Borrowings of the Bank

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	67,069	54,864	54,326	121,933	133,551	235,130
Corporate/Wholesale Banking	123,736	107,758	105,628	231,494	218,054	426,734
Retail Banking	268,416	243,361	224,344	511,777	431,871	898,700
Other Banking operations	3,630	2,123	2,725	5,753	3,943	10,800
Unallocated	179	42	67	221	67	3,621
Total Revenue	463,030	408,148	387,090	871,178	787,486	1,574,985
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	463,030	408,148	387,090	871,178	787,486	1,574,985
Segment Results (net of provisions):						
Treasury	18,469	12,580	9,687	31,049	47,601	64,135
Corporate/Wholesale Banking	14,850	14,505	19,299	29,355	16,764	55,657
Retail Banking	57,855	51,737	30,577	109,592	43,497	121,015
Other Banking operations	3,085	1,805	2,316	4,890	3,352	9,180
Unallocated	179	42	67	221	67	3,621
Profit before tax	94,438	80,669	61,946	175,107	111,281	253,608
Segment Assets:						
Treasury	4,388,999	4,374,168	4,679,820	4,388,999	4,679,820	4,768,440
Corporate/Wholesale Banking	8,970,342	8,251,948	7,305,152	8,970,342	7,305,152	7,858,857
Retail Banking	9,572,293	9,177,241	8,036,690	9,572,293	8,036,690	8,798,646
Other Banking operations	-	-	-	-	-	-
Unallocated	779,609	731,922	665,763	779,609	665,763	668,688
Total	23,711,243	22,535,279	20,687,425	23,711,243	20,687,425	22,094,631
Segment Liabilities:						
Treasury	2,274,543	1,808,289	1,195,828	2,274,543	1,195,828	1,802,189
Corporate/Wholesale Banking	1,985,235	1,810,653	1,696,051	1,985,235	1,696,051	1,867,906
Retail Banking	17,110,829	16,617,656	15,786,867	17,110,829	15,786,867	16,298,555
Other Banking operations	-	-	-	-	-	-
Unallocated	365,759	359,430	235,879	365,759	235,879	246,597
Total	21,736,366	20,596,028	18,914,625	21,736,366	18,914,625	20,215,247
Capital Employed:						
(Segment Assets - Segment Liabilities)						
Treasury	2,114,456	2,565,879	3,483,992	2,114,456	3,483,992	2,966,251
Corporate/Wholesale Banking	6,985,107	6,441,295	5,609,101	6,985,107	5,609,101	5,990,951
Retail Banking	(7,538,536)	(7,440,415)	(7,750,177)	(7,538,536)	(7,750,177)	(7,499,909)
Other Banking operations	-	-	-	-	-	-
Unallocated	413,850	372,492	429,884	413,850	429,884	422,091
Total	1,974,877	1,939,251	1,772,800	1,974,877	1,772,800	1,879,384

@ 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.

As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed DBU of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), reporting of Digital Banking segment will be implemented by the Bank based on the decision of the DBU Working Group.

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.

Statement of Assets and Liabilities of the Bank as at September 30, 2022 is given below:

Particulars	(₹ in Lakhs)		
	As at	As at	As at
	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Audited
CAPITAL AND LIABILITIES			
Capital	42,191	42,030	42,051
Reserves and Surplus	1,932,686	1,730,770	1,837,333
Deposits	18,914,571	17,199,475	18,170,059
Borrowings	2,041,318	1,078,405	1,539,311
Other Liabilities and Provisions	780,477	636,745	505,877
Total	23,711,243	20,687,425	22,094,631
ASSETS			
Cash and Balances with Reserve Bank of India	1,265,431	1,668,561	1,604,927
Balance with Banks and Money at Call and Short Notice	233,946	530,488	496,108
Investments	4,357,131	3,697,673	3,917,946
Advances	16,124,032	13,440,463	14,492,833
Fixed Assets	71,693	54,833	63,394
Other Assets	1,659,010	1,295,407	1,519,423
Total	23,711,243	20,687,425	22,094,631

Notes:

- The above Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2022 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 14, 2022. These Results have been subjected to limited review by the Statutory Central Auditors of the Bank and an unqualified review report has been issued.
- The Bank has followed, in all material aspects, the same 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, 2022.
- 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.
- 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.
- 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.
- During the quarter and half year ended September 30, 2022, the Bank has allotted 6,043,543 and 6,989,035 equity shares of ₹ 2 each respectively, pursuant to the exercise of stock options by employees.
- 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 Statutory Central Auditors of the Bank.
- Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) are given below:

(₹ in Lakhs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half year ended March 31 , 2022 (A) ⁽¹⁾	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year ⁽²⁾	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year ended September 30 , 2022 ⁽¹⁾
Personal Loans	207,131.00	10,866.78	-	6,051.48	191,029.53
Corporate persons	25,241.04	1,387.16	-	354.94	23,498.94
Of which, MSMEs	-	-	-	-	-
Others	36,818.56	1,563.47	-	1,457.74	33,829.25
Total	269,190.60	13,817.41	-	7,864.16	248,357.72

- Excludes other facilities to the borrowers which have not been restructured.
- Represents net movement in balance outstanding.

- 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 half year ended September 30, 2022 are given below:
 - During the half year ended September 30, 2022, the bank has not acquired any "loans not in default" through assignment of loans.
 - During the half year ended September 30, 2022, the bank has not acquired any stressed loans and not transferred any loan not in default / Special Mention Accounts (SMA).
 - During the half year ended September 30, 2022 the bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs.
- Previous period's figures have been regrouped / reclassified, where necessary to conform to current period's classification and also the amounts / ratios for the previous period have been regrouped / reclassified pursuant to the requirements of Master Direction on Financial Statements - Presentation and Disclosures issued by Reserve Bank of India dated August 30, 2021, as amended and wherever considered necessary.

Kochi
October 14, 2022

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

THE FEDERAL BANK LIMITED
REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101
(CIN: L65191KL1931PLC000368)
UNAUDITED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022
(₹ in Lakhs)

Particulars	Half Year ended September 30, 2022	Half Year ended September 30, 2021
Cash Flow from Operating Activities		
Net Profit Before Taxes	175,107	111,281
Adjustments for:		
Depreciation on Bank's Property	7,423	5,875
Provision / Depreciation on Investments	1,537	3,408
Amortisation of Premium on Held to Maturity Investments	8,687	8,434
Provision / Charge for Non Performing Advances	35,500	44,108
Provision for Standard Assets and Contingencies	8,104	47,726
(Profit)/Loss on Sale of Fixed Assets (net)	(5)	26
Dividend From Subsidiaries / Joint ventures / Associates	(771)	(2,704)
Employees Stock Option Expense	50	12
	235,632	218,166
Adjustments for working capital changes:-		
(Increase)/ Decrease in Investments [excluding Held to Maturity Investments]	50,081	(233,373)
(Increase)/ Decrease in Advances	(1,666,700)	(296,711)
(Increase)/ Decrease in Other Assets	(140,188)	(68,899)
Increase/ (Decrease) in Deposits	744,512	(64,973)
Increase/ (Decrease) in Other Liabilities and Provisions	266,496	236,025
	(745,799)	(427,931)
Direct taxes paid (net)	(44,069)	(33,028)
Net Cash Flow from / (Used in) Operating Activities	(554,236)	(242,793)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(15,820)	(11,698)
Proceeds from Sale of Fixed Assets	103	76
Dividend From Subsidiaries / Joint ventures / Associates	771	2,704
Investment in Subsidiary	-	(14,799)
Investment in Associate	-	(74)
(Increase)/ Decrease in Held to Maturity Investments	(499,489)	257,353
Net Cash generated / (Used in) Investing Activities	(514,435)	233,562
Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	140	2,107
Proceeds from Share Premium (Net of Share Issue Expenses)	4,011	89,723
Increase/(Decrease) in Borrowings (Excluding Subordinate Debt)	502,006	171,555
Dividend Paid	(37,866)	(13,974)
Net Cash generated from Financing Activities	468,291	249,411
Effect of Exchange Fluctuation on Translation Reserve	(1,278)	(270)
Net Increase in Cash and Cash Equivalents	(601,658)	239,910
Cash and Cash Equivalents at the beginning of the period	2,101,035	1,959,139
Cash and Cash Equivalents at the end of the period	1,499,377	2,199,049

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
October 14, 2022

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

Varma & Varma

Chartered Accountants,
No.53/2600, Kerala Varma Tower
Off Kunjanbava Road,
Vytilla,
Kochi -682019

Borkar & Muzumdar

Chartered Accountants
21/168, Anand Nagar, Om Co-op
Hsg Society, Anand Nagar Lane
Off Nehru Road, Santacruz(East)
Mumbai - 400 055

Limited Review Report on Unaudited Consolidated Financial Results of The Federal Bank Limited for the quarter/half year ended 30th September 2022, pursuant to the requirements of Regulation 33 of the SEBI (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 Unaudited Consolidated Financial Results of The Federal Bank Limited (the 'Bank') and its Subsidiaries (the Bank and its subsidiaries together referred to as 'the Group') and its share of the net profit after tax of its Associates for the quarter/half-year ended 30th September 2022 (the 'Statement'), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), except for the disclosures relating to consolidated Pillar 3 disclosure, as at 30th September 2022, 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 aforesaid Statement, which have not been reviewed by us.
2. The 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 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 accounting principles generally accepted in India. 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 Engagement (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 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 SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. Our review primarily is conducted on the basis of review of the books of account and records of the Bank. We have also relied on the information and explanations furnished to us by the Bank and the returns as considered necessary by us for the review.
5. This Statement includes the results of the following entities:
 - 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)
6. Based on our review conducted and procedures performed as stated in Paragraphs 3 and 4 above and based on the consideration of the review reports of other auditors referred to in Paragraphs 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, the RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure, as at 30th September 2022, 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 aforesaid Statement, which have not been reviewed by us, or that it contains any material misstatement.

7. The Statement of consolidated unaudited financial results includes the interim financial results of one subsidiary whose unaudited financial results reflects total assets of 2,254.10 Lakhs as at 30th September 2022, total revenues of 1,541.78 Lakhs and 2,945.87 Lakhs respectively and total net profit after tax of 122.72 Lakhs and 222.30 Lakhs respectively for the quarter and half year ended 30th September 2022 and cash flows (net) of (76.88) Lakhs and (138.35) lakhs respectively for the quarter and half year ended 30th September 2022. These interim financial results have been reviewed by one of the joint auditors, whose reports 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 the said subsidiary, is based solely on their reports and the procedures performed by us as stated in Paragraphs 3 and 4 above.

Our conclusion on the Statement is not modified in respect of this matter.

8. The Statement of consolidated unaudited financial results includes the interim financial results of one subsidiary whose unaudited financial results reflects total assets of 7,36,985 Lakhs as at 30th September 2022, total revenues of 29,043.03 Lakhs and 55,307.14 Lakhs respectively and total net profit after tax of 4,333.94 Lakhs and 8,467.84 Lakhs respectively for the quarter and half year ended 30th September 2022 and cash flows (net) of 909.81 Lakhs and 48.81 lakhs respectively for the quarter and half year ended 30th September 2022. These interim financial results have been reviewed by other auditors, whose reports have been furnished to us by the Management.

Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on their reports and the procedures performed by us as stated in Paragraphs 3 and 4 above.

Our conclusion on the Statement is not modified in respect of this matter.

9. The Statement of consolidated unaudited financial results also includes the Group's share of net profit after tax of 407.05 Lakhs and 632.74 Lakhs respectively for the quarter and half year ended 30th September 2022, in respect of two associates, based on their interim financial results which have not been reviewed. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of this matter.

For Varma & Varma
Chartered Accountants
FRM: 004532S

For Borker & Muzumdar
Chartered Accountants
FRN: 101569W

Vijay Narayan Govind
Partner
UDIN: 22203094AZQVHP2256

Kaushal Muzumdar
Partner
UDIN: 22100938AZQVVE1054

Kochi-19
14th October 2022

Mumbai-55
14th October 2022

THE FEDERAL BANK LIMITED REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101 (CIN: L65191KL1931PLC000368) CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022 (₹ in Lakhs)						
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	425,893	384,309	356,627	810,202	709,125	1,438,153
(a) Interest/discount on advances/bills	346,427	310,420	286,506	656,847	570,801	1,156,431
(b) Income on investments	66,308	62,534	57,532	128,842	115,995	231,649
(c) Interest on balances with Reserve Bank of India and other inter bank funds	6,017	4,480	6,662	10,497	10,324	22,027
(d) Others	7,141	6,875	5,927	14,016	12,005	28,046
2. Other income	62,765	47,508	49,448	110,273	111,537	212,094
3. TOTAL INCOME (1+2)	488,658	431,817	406,075	920,475	820,662	1,650,247
4. Interest expended	234,904	210,376	195,947	445,280	395,963	795,938
5. Operating expenses (i)+(ii)	125,639	117,580	113,287	243,219	212,242	459,215
(i) Employees cost	58,047	55,837	61,785	113,884	118,775	251,166
(ii) Other operating expenses	67,592	61,743	51,502	129,335	93,467	208,049
6. TOTAL EXPENDITURE (4+5) (excluding provisions and contingencies)	360,543	327,956	309,234	688,499	608,205	1,255,153
7. OPERATING PROFIT (3-6) (Profit before provisions and contingencies)	128,115	103,861	96,841	231,976	212,457	395,094
8. Provisions (other than tax) and contingencies	28,452	17,521	31,182	45,973	98,092	130,466
9. Exceptional items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	99,663	86,340	65,659	186,003	114,365	264,628
11. Tax expense	25,572	22,040	16,860	47,612	30,010	68,088
12. Net Profit from Ordinary Activities after tax (10-11)	74,091	64,300	48,799	138,391	84,355	196,540
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	74,091	64,300	48,799	138,391	84,355	196,540
15. Minority interest	1,164	1,104	685	2,268	1,069	2,664
16. Share in Profit of Associates	407	226	458	633	962	3,103
17. Consolidated Net Profit of the group (14-15+16)	73,334	63,422	48,572	136,756	84,248	196,979
18. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	42,191	42,070	42,030	42,191	42,030	42,051
19. Reserves excluding Revaluation Reserve						1,883,000
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	14.30	15.12	15.63	14.30	15.63	16.33
(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic EPS (before and after extraordinary items)	3.48*	3.02*	2.34*	6.50*	4.14*	9.52
(b) Diluted EPS (before and after extraordinary items)	3.45*	2.99*	2.32*	6.44*	4.11*	9.44
(iv) NPA Ratios						
a) Gross NPA	417,310	427,304	455,819	417,310	455,819	425,653
b) Net NPA	136,396	150,582	159,578	136,396	159,578	147,977
c) % of Gross NPA	2.45	2.67	3.22	2.45	3.22	2.78
d) % of Net NPA	0.82	0.96	1.15	0.82	1.15	0.98
(v) Return on Assets (%)	0.31*	0.28*	0.23*	0.58*	0.40*	0.91

* Not Annualised

Segment Information@

(₹ in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	66,222	54,705	54,420	120,927	130,457	231,327
Corporate/Wholesale Banking	122,907	106,784	104,777	229,691	215,831	422,307
Retail Banking	294,019	266,605	242,626	560,624	468,904	978,155
Other Banking operations	5,331	3,681	4,185	9,012	5,403	14,837
Unallocated	179	42	67	221	67	3,621
Total Revenue	488,658	431,817	406,075	920,475	820,662	1,650,247
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	488,658	431,817	406,075	920,475	820,662	1,650,247
Segment Results (net of provisions):						
Treasury	18,243	13,000	10,388	31,243	45,733	62,722
Corporate/Wholesale Banking	14,371	14,362	19,084	28,733	16,347	54,114
Retail Banking	62,871	56,244	32,346	119,115	47,408	133,433
Other Banking operations	3,999	2,692	3,774	6,691	4,810	10,738
Unallocated	179	42	67	221	67	3,621
Profit before tax	99,663	86,340	65,659	186,003	114,365	264,628
Segment Assets:						
Treasury	4,366,944	4,361,104	4,628,017	4,366,944	4,628,017	4,763,764
Corporate/Wholesale Banking	8,931,093	8,204,925	7,250,870	8,931,093	7,250,870	7,808,465
Retail Banking	10,255,021	9,812,368	8,573,839	10,255,021	8,573,839	9,378,255
Other Banking operations	851	620	477	851	477	401
Unallocated	779,609	731,922	664,952	779,609	664,952	673,219
Total	24,333,518	23,110,939	21,118,155	24,333,518	21,118,155	22,624,104
Segment Liabilities:						
Treasury	2,314,458	1,856,739	1,206,212	2,314,458	1,206,212	1,859,584
Corporate/Wholesale Banking	1,988,499	1,813,320	1,707,578	1,988,499	1,707,578	1,877,366
Retail Banking	17,603,969	17,060,564	16,129,690	17,603,969	16,129,690	16,684,108
Other Banking operations	483	460	218	483	218	364
Unallocated	365,759	359,430	234,222	365,759	234,222	246,597
Total	22,273,168	21,090,513	19,277,920	22,273,168	19,277,920	20,668,019
Capital Employed:						
(Segment Assets - Segment Liabilities)						
Treasury	2,052,486	2,504,365	3,421,805	2,052,486	3,421,805	2,904,180
Corporate/Wholesale Banking	6,942,594	6,391,605	5,543,292	6,942,594	5,543,292	5,931,099
Retail Banking	(7,348,948)	(7,248,196)	(7,555,851)	(7,348,948)	(7,555,851)	(7,305,853)
Other Banking operations	368	160	259	368	259	37
Unallocated	413,850	372,492	430,730	413,850	430,730	426,622
Total	2,060,350	2,020,426	1,840,235	2,060,350	1,840,235	1,956,085

@ 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.

As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed DBU of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), reporting of Digital Banking segment will be implemented by the Bank based on the decision of the DBU Working Group.

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.

Statement of Assets and Liabilities of the group as at September 30, 2022 is given below:

Particulars	(₹ in Lakhs)		
	As at	As at	As at
	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Audited
CAPITAL AND LIABILITIES			
Capital	42,191	42,030	42,051
Reserves and Surplus	1,985,210	1,770,258	1,883,501
Minority Interest	32,949	27,947	30,533
Deposits	18,911,141	17,192,543	18,167,752
Borrowings	2,549,788	1,424,010	1,958,739
Other Liabilities and Provisions	812,239	661,367	541,528
Total	24,333,518	21,118,155	22,624,104
ASSETS			
Cash and Balances with Reserve Bank of India	1,267,727	1,670,556	1,606,611
Balance with Banks and Money at Call and Short Notice	243,013	569,386	507,000
Investments	4,330,736	3,645,870	3,906,519
Advances	16,729,924	13,858,319	14,995,146
Fixed Assets	75,546	58,312	67,210
Other Assets	1,686,572	1,315,712	1,541,618
Total	24,333,518	21,118,155	22,624,104

Notes:

- 1 The above Consolidated Unaudited Financial Results for the quarter and half year ended September 30, 2022 were reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on October 14, 2022. These Results have been subjected to limited review by the Statutory Central 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 in the consolidated annual financial statements for the year ended March 31, 2022.
- 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 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 Statutory Central Auditors of the Bank.
- 8 Previous period's figures have been regrouped / reclassified, where necessary to conform to current period's classification and also the amounts / ratios for the previous period have been regrouped / reclassified pursuant to the requirements of Master Direction on Financial Statements - Presentation and Disclosures issued by Reserve Bank of India dated August 30, 2021, as amended and wherever considered necessary.

Kochi
October 14, 2022

SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)

THE FEDERAL BANK LIMITED REGD.OFFICE: P.B.NO. 103, FEDERAL TOWERS, ALUVA-683101 (CIN: L65191KL1931PLC000368) UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022 (₹ in Lakhs)		
Particulars	Half Year ended September 30, 2022	Half Year ended September 30, 2021
Cash Flow from Operating Activities		
Net Profit Before Taxes	184,368	114,258
Adjustments for:		
Depreciation on Group's Property	8,215	6,449
Provision / Depreciation on Investments	1,502	3,408
Amortisation of Premium on Held to Maturity Investments	8,686	8,434
Provision / Charge for Non Performing Advances	39,576	46,383
Provision for Standard Assets and Contingencies	6,582	50,288
(Profit)/ Loss on Sale of Fixed Assets (net)	(5)	26
Employees Stock Option Expense	49	28
	248,973	229,274
Adjustments for working capital changes:-		
(Increase)/ Decrease in Investments [excluding Held to Maturity Investments]	65,083	(241,896)
(Increase)/ Decrease in Advances	(1,774,354)	(353,261)
(Increase)/ Decrease in Other Assets	(144,610)	(71,500)
Increase/ (Decrease) in Deposits	743,389	(26,067)
Increase/ (Decrease) in Other Liabilities and Provisions	264,128	232,195
	(846,364)	(460,529)
Direct taxes paid (net)	(47,956)	(35,500)
Net Cash Flow from / (Used in) Operating Activities	(645,347)	(266,755)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(16,650)	(13,117)
Proceeds from Sale of Fixed Assets	105	78
(Increase)/ Decrease in Held to Maturity Investments	(499,489)	257,353
Net Cash generated / (Used in) Investing Activities	(516,034)	244,314
Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	140	2,107
Proceeds from Share Premium (Net of Share Issue Expenses)	4,074	89,723
Increase / (Decrease) in Minority Interest	2,390	6,273
Increase/(Decrease) in Borrowings (Excluding Subordinate Debt)	591,049	196,951
Dividend Paid	(37,866)	(13,974)
Net Cash generated from Financing Activities	559,787	281,080
Effect of Exchange Fluctuation on Translation Reserve	(1,277)	(270)
Increase/ (Decrease) in Cash and Cash Equivalents	(602,871)	258,369
Cash and Cash Equivalents at the beginning of the period	2,113,611	1,981,573
Cash and Cash Equivalents at the end of the period	1,510,740	2,239,942
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 October 14, 2022	SHYAM SRINIVASAN MANAGING DIRECTOR & CEO (DIN: 02274773)	