

Secretarial Department

SD/ F 24/ /2016-17

19th January 2017

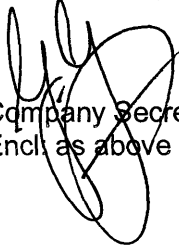
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Floor 25, Dalal Street,
MUMBAI – 400 001.

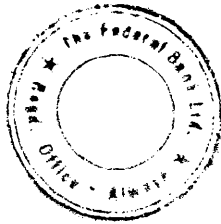
Dear Sir,

As required under the Listing Agreement entered into by us with your Stock Exchange and as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding the Un-audited Financial Results of the Bank for the period ended 31st December, 2016, which was approved at the Bank's Board of Directors meeting held today.

Kindly acknowledge

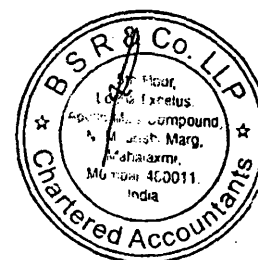
Yours faithfully,


Company Secretary
Encl: as above



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, 2016 (₹ in Lakhs)						
Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a)+(b)+(c)+(d)	2,28,142	2,06,625	1,90,325	6,36,144	5,72,149	7,74,815
(a) Interest/discount on advances/bills	1,71,622	1,56,880	1,38,554	4,80,924	4,19,982	5,66,931
(b) Income on Investments	45,122	43,552	44,638	1,31,758	1,30,314	1,76,309
(c) Interest on balances with Reserve Bank of India and other inter bank funds	3,494	1,585	1,657	6,295	4,871	5,596
(d) Others	7,904	4,608	5,476	17,167	16,982	25,979
2. Other Income	26,333	26,154	18,282	76,191	55,620	78,292
3. TOTAL INCOME (1+2)	2,54,475	2,32,779	2,08,607	7,12,335	6,27,769	8,53,107
4. Interest expended	1,49,003	1,34,006	1,29,756	4,15,119	3,89,987	5,24,045
5. Operating Expenses (i)+(ii)	57,982	51,280	46,303	1,59,647	1,34,856	1,86,684
(i) Employees Cost	31,972	29,159	25,859	90,072	75,981	1,05,285
(ii) Other operating expenses	26,010	22,121	20,444	69,575	58,875	81,399
6. TOTAL EXPENDITURE (4+5) (excluding Provisions and Contingencies)	2,06,985	1,85,286	1,76,059	5,74,766	5,24,843	7,10,729
7. OPERATING PROFIT (3-6) (Profit before Provisions and Contingencies)	47,490	47,493	32,548	1,37,569	1,02,926	1,42,378
8. Provisions (other than Tax) and Contingencies	15,882	16,840	7,511	49,570	31,549	70,413
9. Exceptional Items	-	-	-	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	31,608	30,653	25,037	87,999	71,377	71,965
11. Tax expense	11,043	10,529	8,765	30,579	24,838	24,400
12. Net Profit from Ordinary Activities after tax (10-11)	20,565	20,124	16,272	57,420	46,539	47,565
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	20,565	20,124	16,272	57,420	46,539	47,565
15. Paid-up Equity Share Capital (Face value ₹ 2/- per Equity Share)	34,443	34,410	34,367	34,443	34,367	34,379
16. Reserves excluding Revaluation Reserve						7,74,242
17. Analytical Ratios						
(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
(ii) Capital Adequacy ratio (%)						
Under Basel III	12.28	12.85	14.32	12.28	14.32	13.93
(iii) Earnings per Share (EPS) (in ₹)						
(a) Basic EPS (before and after Extra ordinary Items)	1.20*	1.17*	0.95*	3.34*	2.71*	2.77
(b) Diluted EPS (before and after Extra ordinary Items)	1.18*	1.15*	0.94*	3.29*	2.68*	2.75
(iv) NPA Ratios						
a) Gross NPA	1,95,155	1,81,972	1,68,411	1,95,155	1,68,411	1,66,777
b) Net NPA	1,10,237	1,03,974	87,610	1,10,237	87,610	95,001
c) % of Gross NPA	2.77	2.78	3.15	2.77	3.15	2.84
d) % of Net NPA	1.58	1.61	1.66	1.58	1.66	1.64
(v) Return on Assets (%)	0.2 *	0.22*	0.19*	0.6*	0.56*	0.57

* Not Annualised



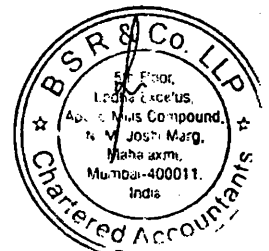
Segment Information@

Particulars	Quarter ended			Nine Months ended		Year ended
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	65,168	61,233	55,321	1,85,968	1,69,001	2,28,193
Corporate/Wholesale Banking	75,059	69,657	56,861	2,16,606	1,68,392	2,36,094
Retail Banking	1,10,117	1,00,740	95,416	3,02,978	2,88,176	3,80,964
Other Banking operations	4,131	1,149	1,009	6,783	2,200	7,856
Unallocated	-	-	-	-	-	-
Total Revenue	2,54,475	2,32,779	2,08,607	7,12,335	6,27,769	8,53,107
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	2,54,475	2,32,779	2,08,607	7,12,335	6,27,769	8,53,107
Segment Results (net of provisions):						
Treasury	8,779	10,954	2,721	32,558	12,679	15,852
Corporate/Wholesale Banking	2,249	2,012	2,936	7,597	7,138	1,814
Retail Banking	19,035	17,533	19,280	45,588	51,521	49,459
Other Banking operations	2,386	1,016	914	4,347	1,854	7,385
Unallocated	(841)	(862)	(814)	(2,091)	(1,815)	(2,545)
Profit before tax	31,608	30,653	25,037	87,999	71,377	71,965
Segment Assets						
Treasury	38,13,929	32,64,602	32,72,465	38,13,929	32,72,465	33,34,198
Corporate/Wholesale Banking	34,00,648	28,94,267	21,43,600	34,00,648	21,43,600	24,83,667
Retail Banking	36,45,243	36,24,006	31,84,203	36,45,243	31,84,203	33,71,086
Other Banking operations	4,398	539	7,070	4,398	7,070	2,656
Unallocated	2,85,520	2,64,176	2,67,501	2,85,520	2,67,501	2,45,196
Total	1,11,49,738	1,00,47,590	88,74,839	1,11,49,738	88,74,839	94,36,803
Segment Liabilities						
Treasury	35,10,701	29,69,932	29,30,621	35,10,701	29,30,621	30,67,275
Corporate/Wholesale Banking	32,59,778	27,45,722	20,43,520	32,59,778	20,43,520	23,37,684
Retail Banking	35,00,018	34,43,998	30,40,948	35,00,018	30,40,948	31,78,818
Other Banking operations	-	-	-	-	-	-
Unallocated	11,396	41,358	37,383	11,396	37,383	43,904
Total	1,02,81,893	92,01,010	80,52,472	1,02,81,893	80,52,472	86,27,681
Capital employed:						
(Segment Assets - Segment Liabilities)						
Treasury	3,03,228	2,94,670	3,41,844	3,03,228	3,41,844	2,66,923
Corporate/Wholesale Banking	1,40,870	1,48,545	1,00,080	1,40,870	1,00,080	1,45,983
Retail Banking	1,45,225	1,80,008	1,43,255	1,45,225	1,43,255	1,92,268
Other Banking operations	4,398	539	7,070	4,398	7,070	2,656
Unallocated	2,74,124	2,22,818	2,30,118	2,74,124	2,30,118	2,01,292
Total	8,67,845	8,46,580	8,22,367	8,67,845	8,22,367	8,09,122

@ For the above segment reporting, the reportable segments are identified into Treasury, Corporate/Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI guidelines.

Notes:

- The above Standalone Unaudited Financial Results for the quarter ended December 31, 2016 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 19, 2017. These Results have been subjected to "Limited Review" by the Statutory Central Auditors of the Bank and an unmodified review report has been issued.
- The Bank has made provision for Non Performing Assets as stipulated under Reserve Bank of India (RBI) norms. Further, provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures and provision for restructured advances have been made as per RBI guidelines.
- The Bank has followed the same significant accounting policies in the preparation of the interim financial statements as those followed in the annual financial statements for the year ended March 31, 2016.
- In accordance with RBI Circular DBR.No.BP.BC.1/21.06.201/2015-16 on Basel III Capital Regulations dated July 01, 2015 and RBI Circular DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 - 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - amendments', Banks are required to make Pillar 3 disclosure requirements including Leverage Ratio disclosure requirements that are to be made along with the publication of Financial Results. Accordingly, such applicable disclosures have been placed on the website of the Bank which can be accessed at the following link: <http://www.federalbank.co.in/regulatory-disclosures>. These disclosures have not been subjected to review by the Statutory Central Auditors of the Bank.
- Other income includes fees earned from providing services to customers, commission from non-fund based banking activities, earnings from foreign exchange and derivative transactions, selling of third party products, profit on sale of investments (net), recoveries from advances written off.

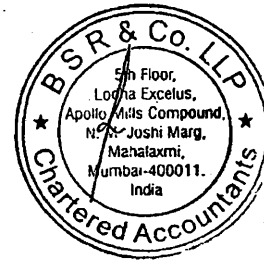


- 6 During the year ended March 31,2016, the Bank had assigned certain Non performing financial assets to Asset Reconstruction Companies. In terms of RBI Master Circular DBR.No.BP.BC.2/21.04.048/2015-16 - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015, as amended, the shortfall arrived at by deducting sale consideration from the net book value of the financial assets, is amortised over a period of two years. Accordingly, the bank has charged to the profit and loss account an amount of ₹ 2,168.29 Lakhs and ₹ 6,504.87 Lakhs for the Quarter and nine months ended December 31,2016 respectively and the unamortised balance carried forward as on December 31,2016 is ₹ 2,168.29 Lakhs, to be amortised in the next quarter.
- 7 During the quarter and nine months ended December 31,2016, the Bank allotted 16,60,996 and 31,95,761 Equity Shares respectively, pursuant to the exercise of stock options by certain employees.
- 8 Pursuant to RBI Circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19, 2016, as amended, the bank has with effect from October 3, 2016 considered its repo/reverse repo transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) of RBI as Borrowings/Lendings, as the case may be. Hitherto, the repo/ reverse repo transactions were included under Investments. Figures for the previous periods have been regrouped / reclassified to conform to current period's classification. The above regrouping / reclassification has no impact on the profit of the bank for the quarter / Nine months ended December 31, 2016 or the previous periods/year.
- 9 The figures for the quarter and nine months ended December 31,2015 and year ended March 31,2016 were reviewed / audited by previous statutory auditors.
- 10 Previous period's / year's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Mumbai
January 19, 2017




SHYAM SRINIVASAN
MANAGING DIRECTOR & CEO
(DIN: 02274773)



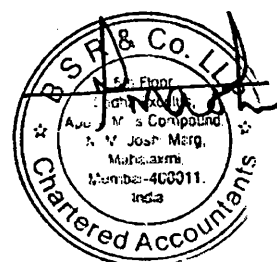
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Dr. Annie Besant Road,
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Limited Review Report on Quarterly Standalone Financial Results of The Federal Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results ('the Statement') of The Federal Bank Limited ('the Bank') for the quarter and nine months ended 31 December 2016, attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except for the disclosures relating to 'consolidated Pillar 3 disclosure as at 31 December 2016, including leverage ratio and liquidity coverage 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 standalone quarterly financial results and have not been reviewed by us.
2. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors of the Bank in their meeting held on 19 January 2017. Our responsibility is to issue a report on the Statement based on our review. The financial results for all periods prior to the quarter ended 30 September 2016, included in the statement were reviewed or audited earlier by Deloitte Haskins & Sells, Chartered Accountants, and by M P Chitale & Co., Chartered Accountants, the then joint statutory auditors of the Bank, whose reports have been furnished to the current joint auditors M.M. Nissim & Co., Chartered Accountants, and B S R & Co. LLP, and which have been relied upon for the purpose of the joint review of the Statement.
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 is limited primarily to inquiries of the Bank's 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. The Financial results incorporate the relevant returns of 100 Branches and Treasury Branch reviewed by either of us and un-reviewed returns in respect of 1177 branches. These Branches cover 57.68% of the advances portfolio (excluding outstanding of asset recovery branches and food credit advance) of the Bank and 60.68% of non-performing advances of the bank.
5. Without qualifying our conclusion, we draw attention to Note No. 6 regarding deferment of shortfall arising from the sale of certain non-performing assets during the year ended 31 March 2016 in terms of RBI Master Circular DBR.No.BP.BC.2/21.04.048/2015-16 – Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, dated July 1, 2015, as amended and the unamortized balance as at 31 December 2016 of Rs. 2,168.29 lakhs.



B S R & Co. LLP

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M.M. Nissim & Co.

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3rd Floor, 81,

Dr. Annie Besant Road,

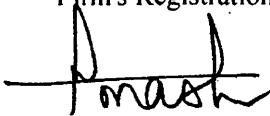
Worli, Mumbai- 400 018

6. Based on our review conducted as mentioned in paragraphs 3 and 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W / W-100022



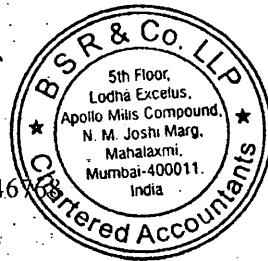
Akeel Master

Partner

Membership No: 046766

Mumbai

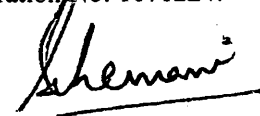
19 January 2017



For **M.M. Nissim & Co.**

Chartered Accountants

Firm's Registration No: 107122W



Sanjay Khemani

Partner

Membership No: 044577

Mumbai

19 January 2017