

Investor Information

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

Q1 FY 2022

Snapshot of the Quarter

More than 92% of the employees vaccinated



Future of Digital is Human



NEO Banking partnership with epiFi and Jupiter



Launched Credit Cards, to ETB customers



The largest vaccination drive in association with NW18



Supplied COVID relief materials across the country



Amul
Partnership with Amul and DGV

Stable Financial Performance; Despite Challenging Environment

- **Highest ever Operating Profit at 1135 Cr, grew by 22% YoY**
- Net Profit @ 367 Cr, impacted by higher provisions during the quarter
- NII stable @1418 Cr

Credit Growth in Chosen Areas

- Total Advances grew by 8% YoY
- Retail Advances grew by 15% YoY
- Agri Business grew by 24% YoY
- Commercial Banking grew by 10% YoY

Disciplined Provisioning Strategy in Place

Granular Liability Franchise

- **Total Savings Deposits grew by 19% YoY**
- **CASA grew by 19% YoY and CASA Ratio at all time high level of 34.81%**
- Retail Deposits at 93% of Total Deposits

Income and Cost Streams

- Other Income @ 650 Cr, grew by 33% YoY, Core Fee Income at 255 Cr
- Cost to Income improved to 45.12%, down 264 bps YoY
- NIM @ 3.15%, an increase of 8 bps YoY

Infusion of High Quality Capital – IFC invests 4.99% in the Bank

Asset Quality

- GNPA at 3.50% and NNPA @ 1.23%
- PCR maintained at 65% level, despite higher slippages during the quarter
- Almost 85 Cr of fresh slippage is Gold Loan and related accounts

Steady Growth in Market Share

- Market Share in Advances at 1.21%
- Market Share in Deposits at 1.09%
- **Market Share in Personal Inward remittance business increased to 18.20%**

Digital Dominance Visible




New Initiatives/ Digital Update

- **Launched Credit Card for ETB customers, with seamless end to end digital onboarding.**
- Topped Digital Scorecard published by Ministry of Electronics & Information Technology (MEITY) for the month of February & March 21

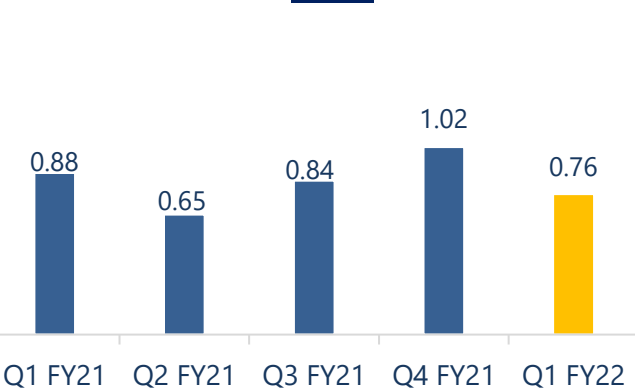
Balance Sheet and Capital

- Balance Sheet grew by 8% YoY (Rs 2.00 L Cr)
- Total business grew by 8% YoY (2.99 L Cr)
- CRAR at 14.64%

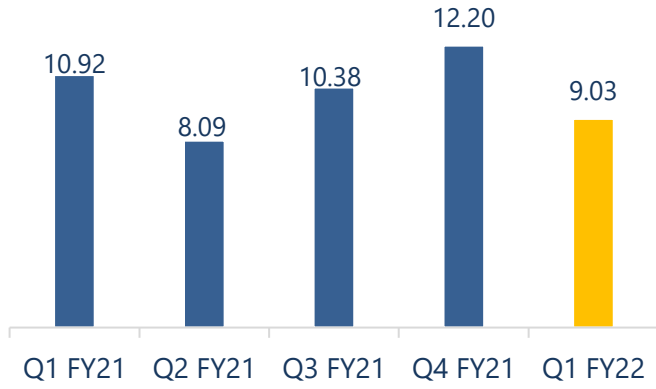
Performance Highlights Y-o-Y

Operating Profit	22%	Retail Banking	15%
Net Profit	-8%	Agri Banking	24%
RoA	@0.76 %	Business Banking (BuB)	9%
RoE	@9.03 %	Commercial Banking (CoB)	10%
Cost to Income Ratio	@45.12 %	Total Advance	8%
GNPA	@ 3.50%	CASA	19%
NNPA	@ 1.23%	NRE Deposit	10%
NII	9% 	Total Deposit	9% 
NIM	@ 3.15%		
Capital Adequacy (CRAR)	@14.64% 		

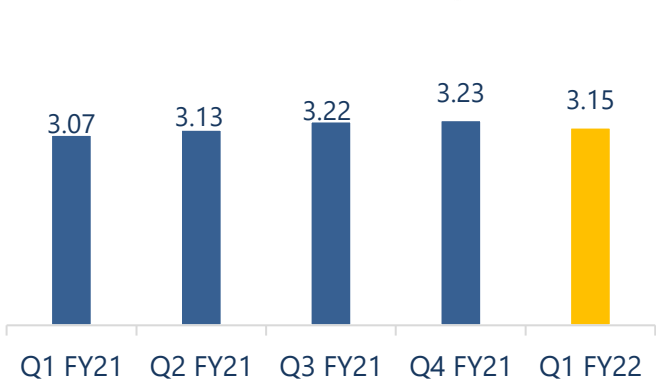
RoA



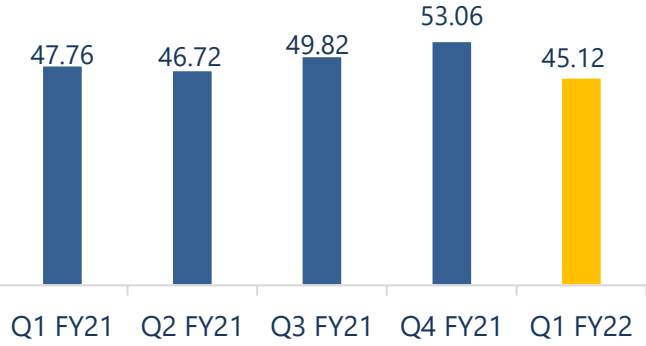
RoE



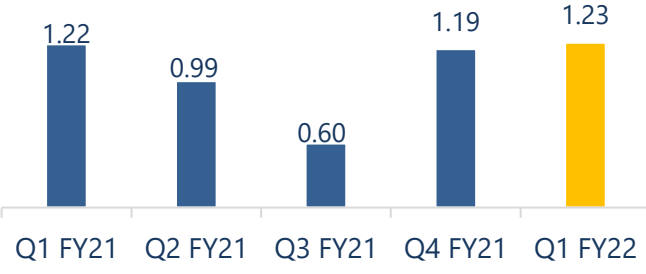
Net Interest Margin (%)



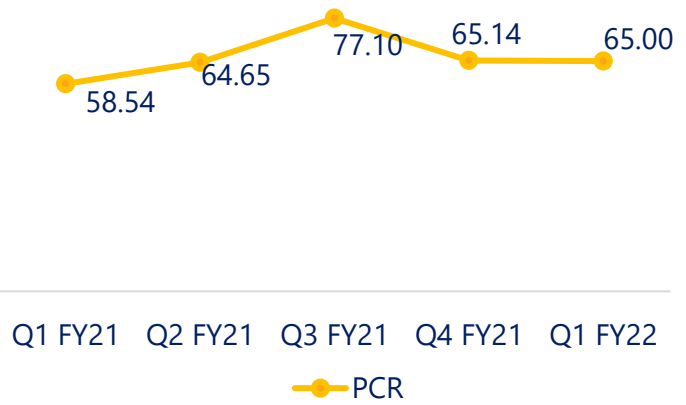
Cost to Income Ratio



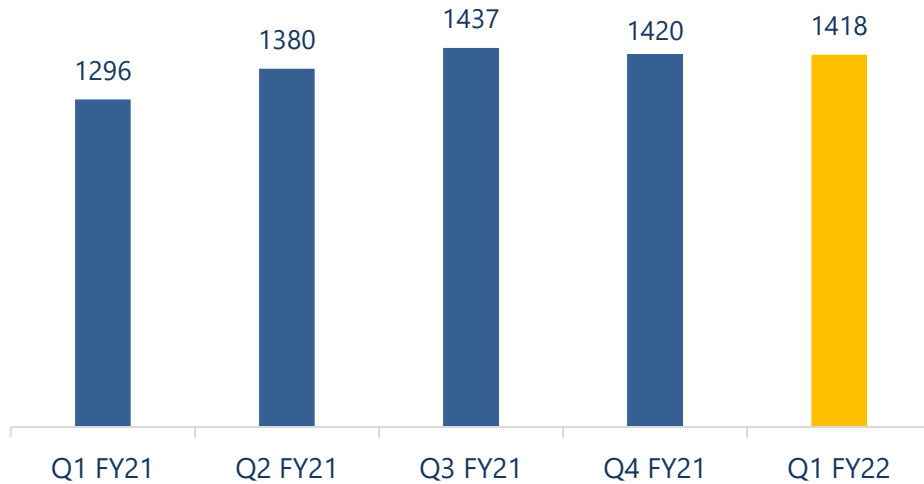
NNPA (%)



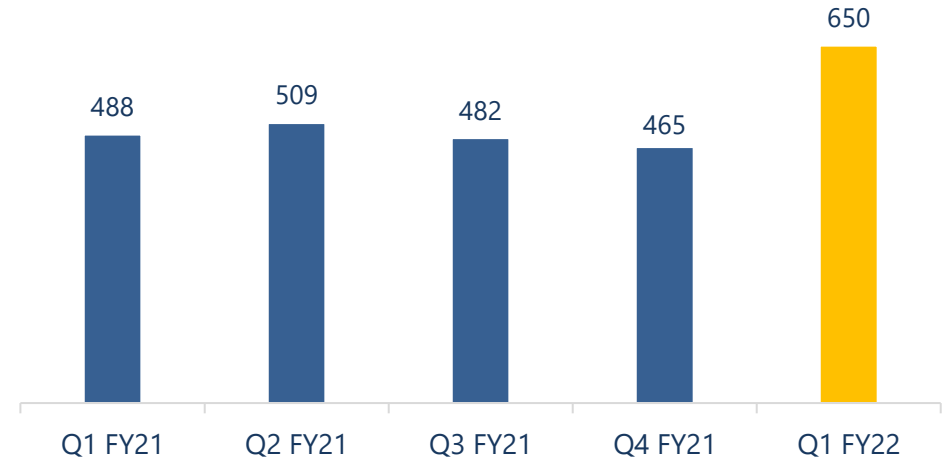
PCR (%)



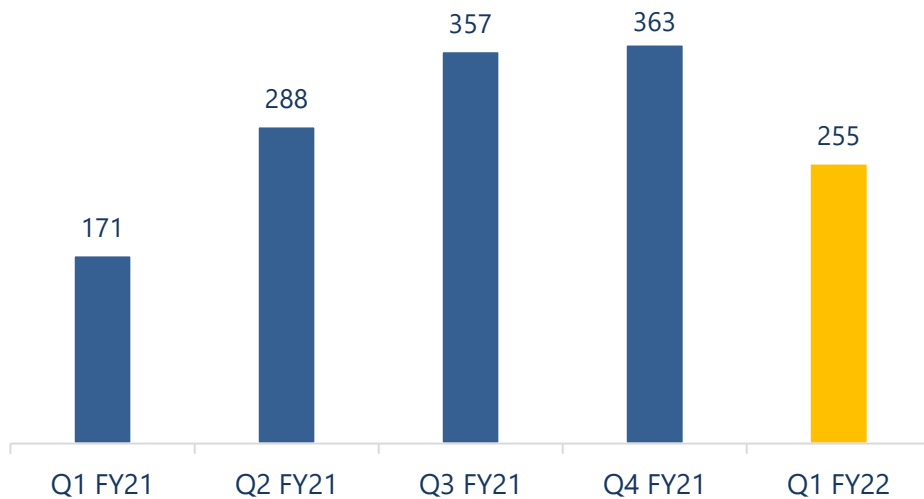
Net Interest Income



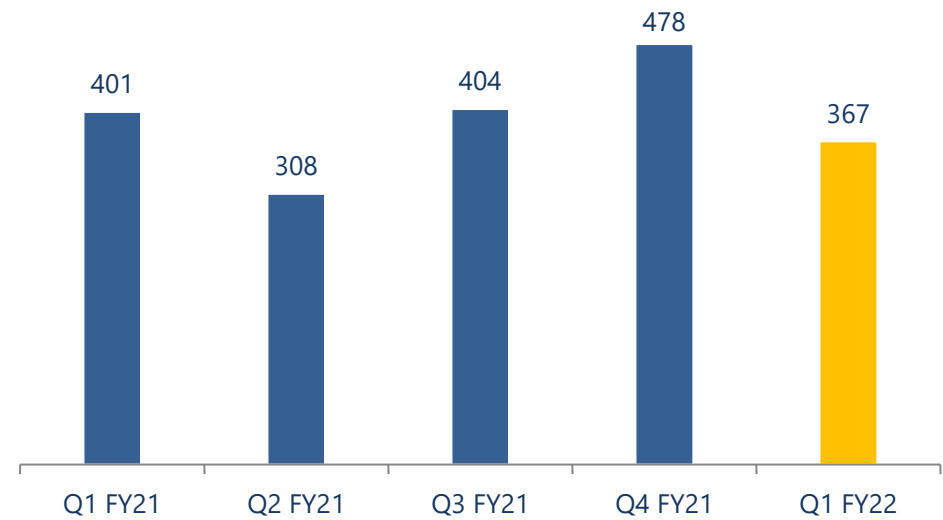
Other Income



Fee Income



Net Profit



Shareholder Value

	Q1 FY22	Q4 FY21	Q3 FY21	Q2 FY21	Q1 FY21
Book Value (Per Share in ₹)	82.60	80.77	78.39	76.38	74.85
EPS (annualized)	7.38	9.71	8.04	6.12	8.07

Granularity

CASA + Deposits <2 Cr (% of Total Deposits)	88%	88%	90%	90%	89%
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Profitability (Annualized)

ROA	0.76	1.02	0.84	0.65	0.88
RoRWA	1.49	1.91	1.64	1.28	1.64
ROE	9.03	12.20	10.38	8.09	10.92

Efficiency

Cost/Income	45.12	53.06	49.82	46.72	47.76
Net NPA%	1.23	1.19	0.60	0.99	1.22

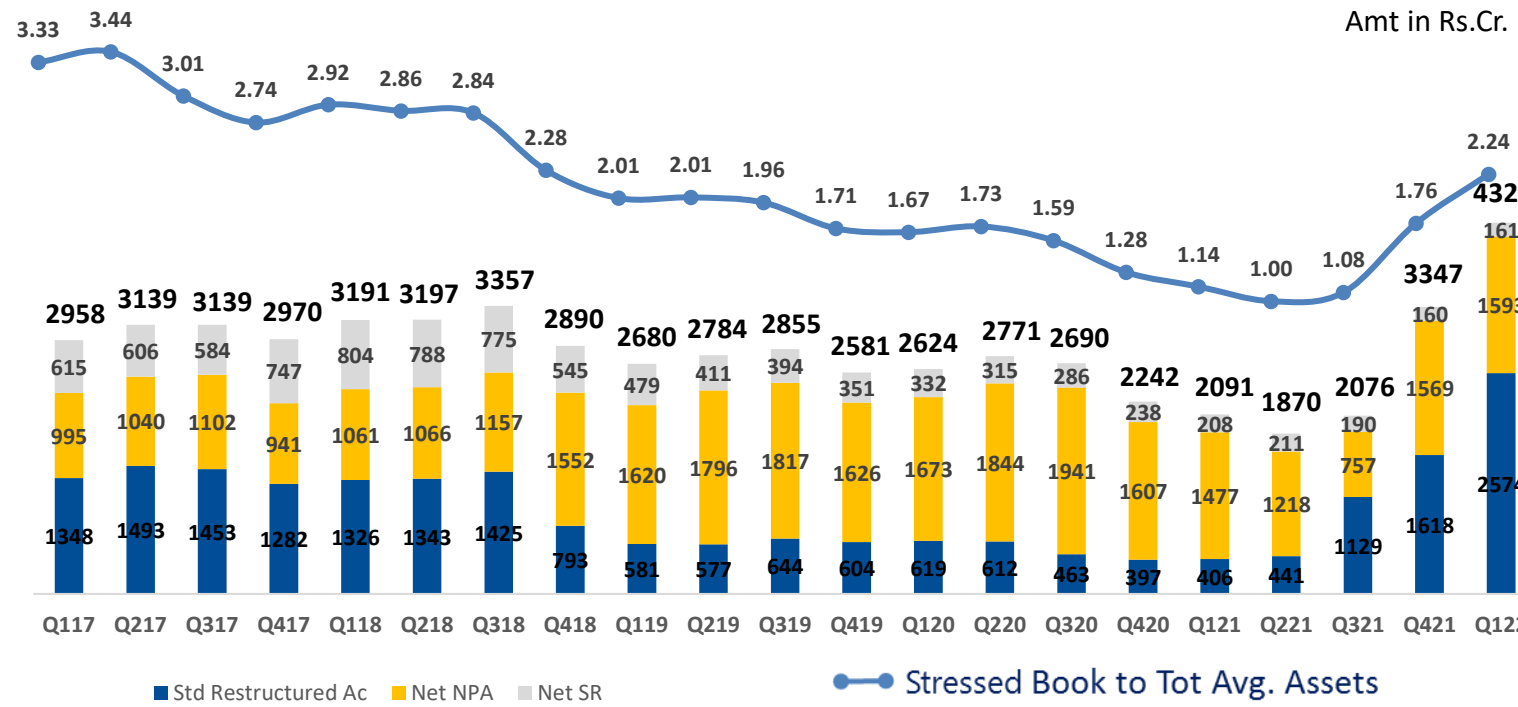
Asset Quality Trends

Collection Efficiency maintained at 95%, despite the challenging environment

Covid Specific Restructuring as on Q1 FY22 at 1.82% of total advance

PCR increased from 58.54% to 65.00% on a YoY basis

Corporate Book holding well with no major accounts in Watch List



Movement of NPA

Gross NPA as on 31.03.2021	4602
Add Fresh Slippage	640
Add Increase in Balances in Existing NPAs	49
Deduct Recoveries/ Upgrades	-203
Deduct Written Off	-439
Gross NPA as on 30.06.2021	4649

Provisions in Q1

Loan Loss	459
Investment Loss	0
Restructured Accounts	0
Standard Accounts	180
Other Purposes	3
Total Provisions	642

Fresh Slippages Break up

Fresh Slippages

	Q1 FY22	Q4 FY21	Q3* FY21	Q2 FY21	Q1 FY21
Retail	127	301	314	1	1
Agri	157	89	159	1	1
BuB	169	73	196	1	0
CoB	117	135	108	0	8
Corporate	70	0	312	0	174
Total	640	598	1089	3	184

* Includes Proforma slippages

Restructured

TYPE	Q1 FY22		Q4 FY21	
	Balance	Of which Bonds	Balance	Of which Bonds
STANDARD	2574	17	1618	7
Net NPA	341	115	299	115
TOTAL	2915	132	1917	122

Security Receipts

	Q1 FY22	Q4 FY21
Face Value	571	577
Book Value	490	493

NPA Composition		Q1 FY22	Q4 FY21
Gross NPA	Business	NPA	NPA
	Retail	1284	1222
	Agri	839	715
	BuB	950	847
	CoB	785	814
	Corporate	791	1004
	Total	4649	4602
Net NPA		1593	1569



Slippage Rate

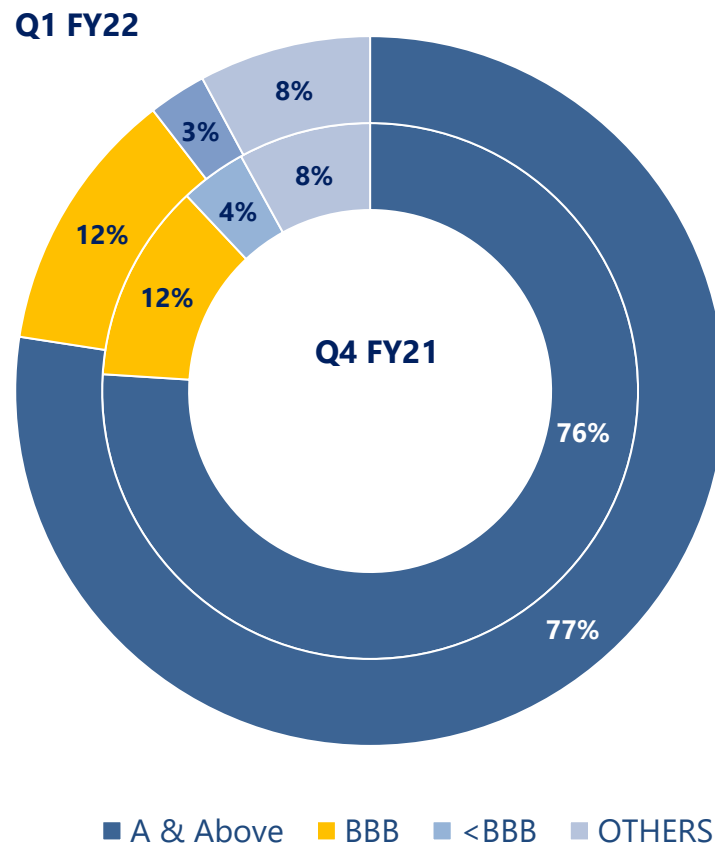
	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Q1 FY22
— Retail	0.01	0.02	4.07	2.66	2.48
— Wholesale	1.19	0.00	2.83	0.92	1.21
— Bank	0.61	0.01	3.48	1.88	1.91

Balance Outstanding of Covid Specific Restructuring	Amt in Cr
Retail	1422
BB	339
Agri*	204
CV/CE	32
CoB	275
CIB	142
Total Restructuring	2414

***Includes 200 Cr of Gold Loan**

Balance Outstanding of Covid Specific Restructuring in Retail	Amt in Cr
Housing Loan	736
Loan against Property	570
Auto Loan	52
Personal Loan	28
Education Loan	35
Others	1
Total Retail Restructuring	1422

External Rating of Corporate Advances



External Rating of Corporate Advances

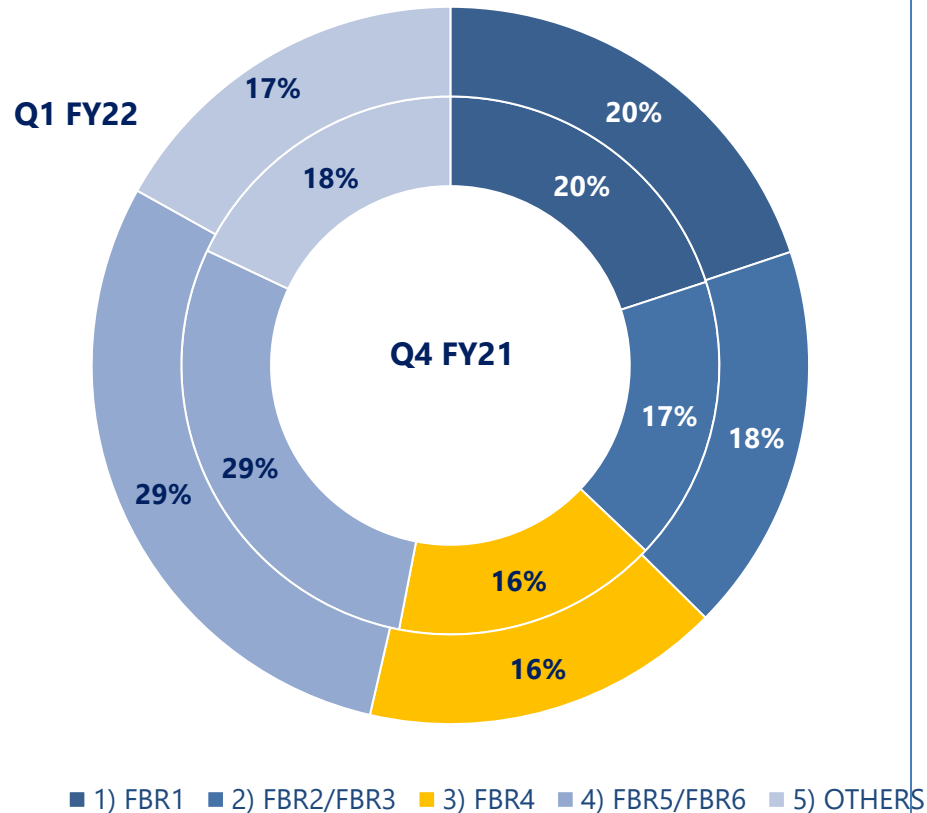
Rating	Q1 FY-22	Q4 FY-21
A & above	77%	76%
BBB	12%	12%
< BBB	3%	4%
Others	8%	8%

Internal Rating of 'others' (Externally unrated Corporate advance from above table)

Rating	Q1 FY-22	Q4 FY-21
FBR1	9%	6%
FBR2/FBR3	1%	6%
FBR4	19%	16%
*Below FBR4 & unrated	71%	72%

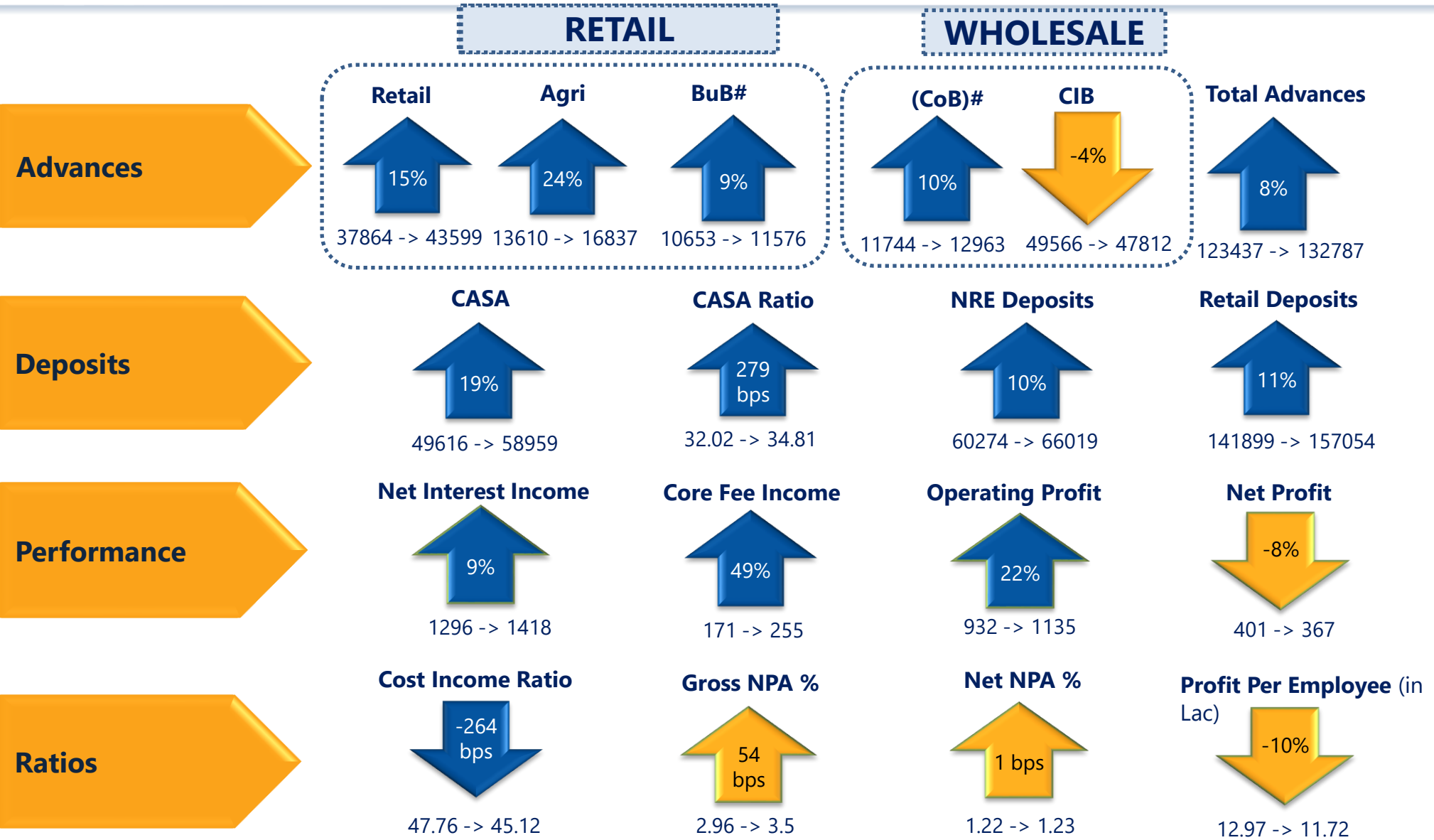
*includes IBPC.

Asset Quality : Rating Distribution (Advances excluding Corporate advance)



Rating	Q1 FY-22	Q4 FY-21
FBR1	20%	20%
FBR2/FBR3	18%	17%
FBR4	16%	16%
FBR5/FBR6	29%	29%
Staff	2%	3%
Gold, Advance against Deposit/Securities & others	15%	15%

Comparison : Y-o-Y (3 M)



* Credit segments are realigned at the beginning of every FY.

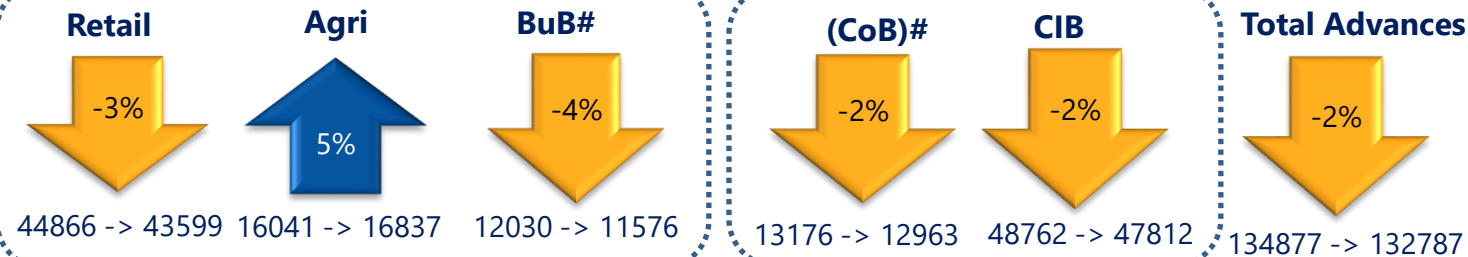
#SME split into BuB & CoB

Comparison : Q-o-Q (3 M)

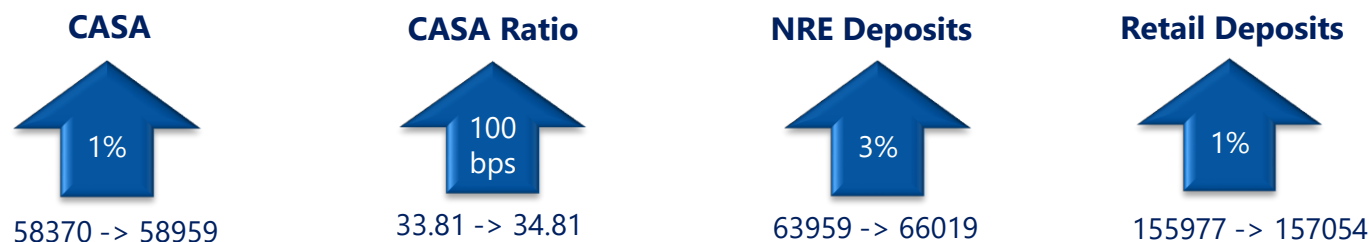
RETAIL

WHOLESALE

Advances



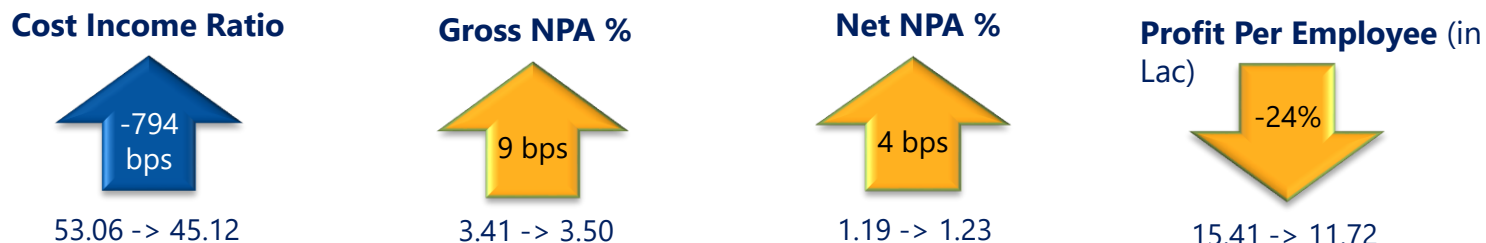
Deposits



Performance



Ratios



* Credit segments are realigned at the beginning of every FY.

#SME split into BuB & CoB

Digital Migration

89%

SHARE OF DIGITAL TRANSACTION

₹8.6K

CR WORTH MONTHLY MOBILE BANKING TRANSACTIONS

136%

YOY GROWTH IN UPI TRANSACTIONS

Digital Transformation

200+

RPA PROCESSES RUNNING

84%

ACCOUNTS OPENED DIGITALLY

Future Readiness

300+

API'S AVAILABLE IN OPEN BANKING

50+

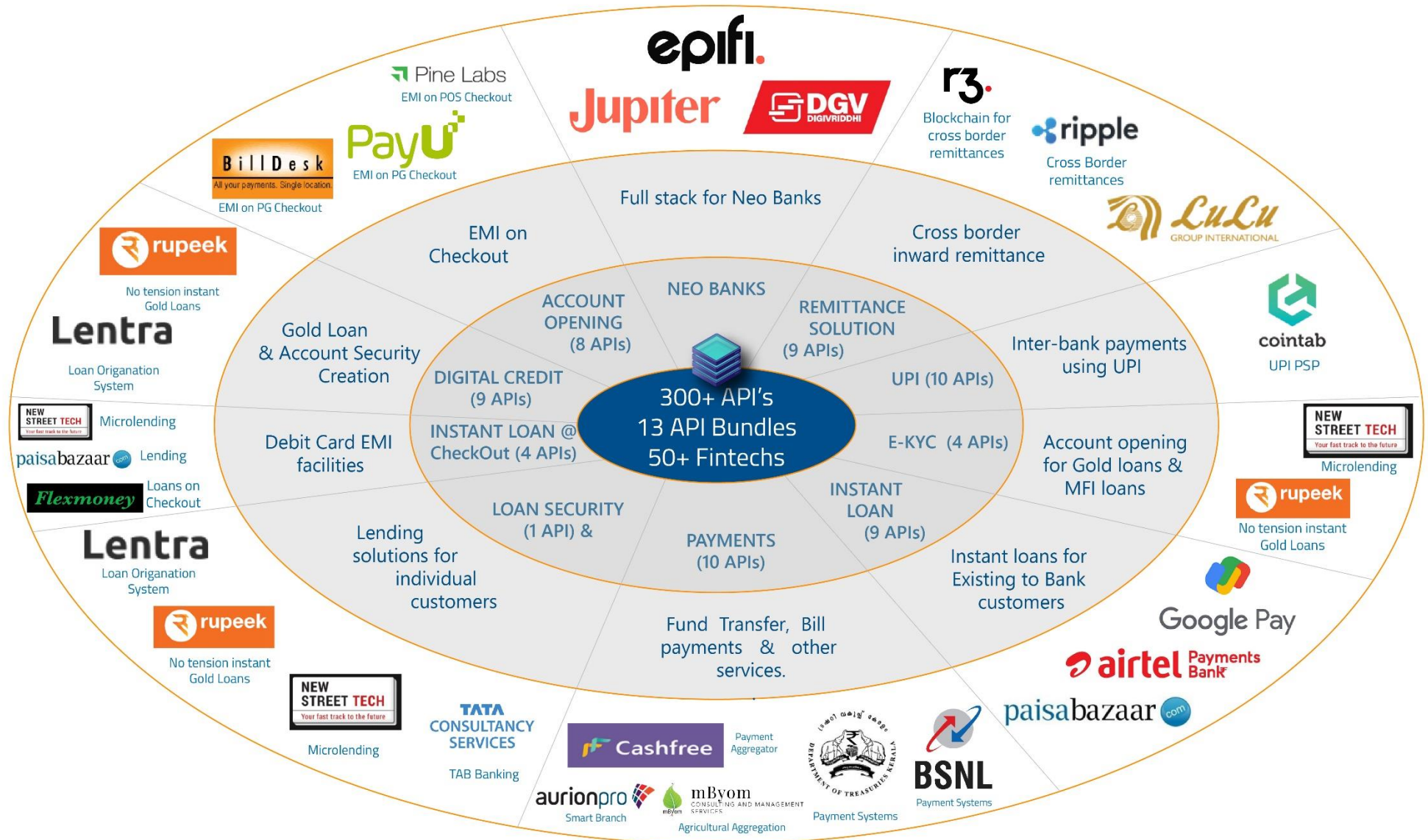
NUMBER OF FINTECH PARTNERS

5

NUMBER OF CHANNELS WHERE AI IS INTEGRATED

FUTURE OF DIGITAL IS
HUMAN

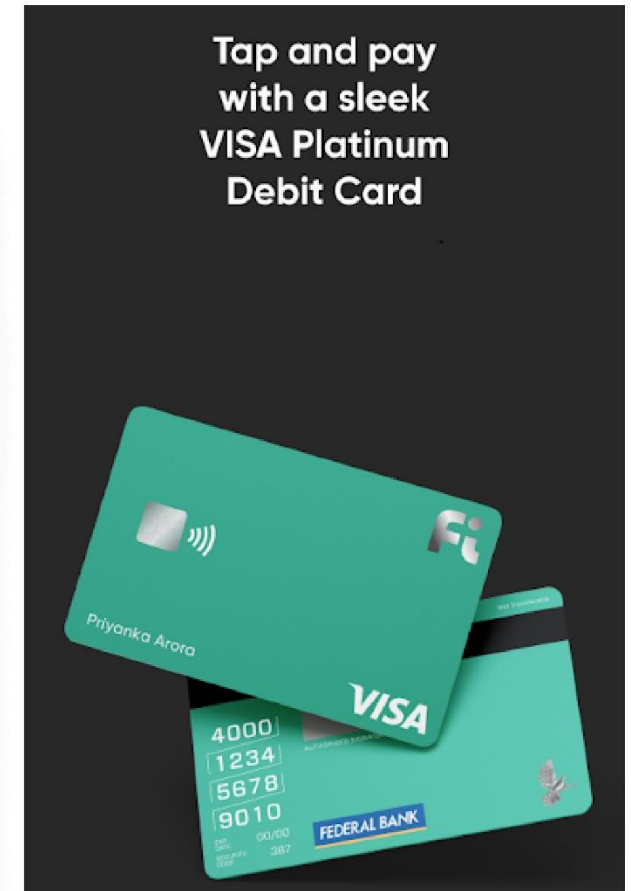
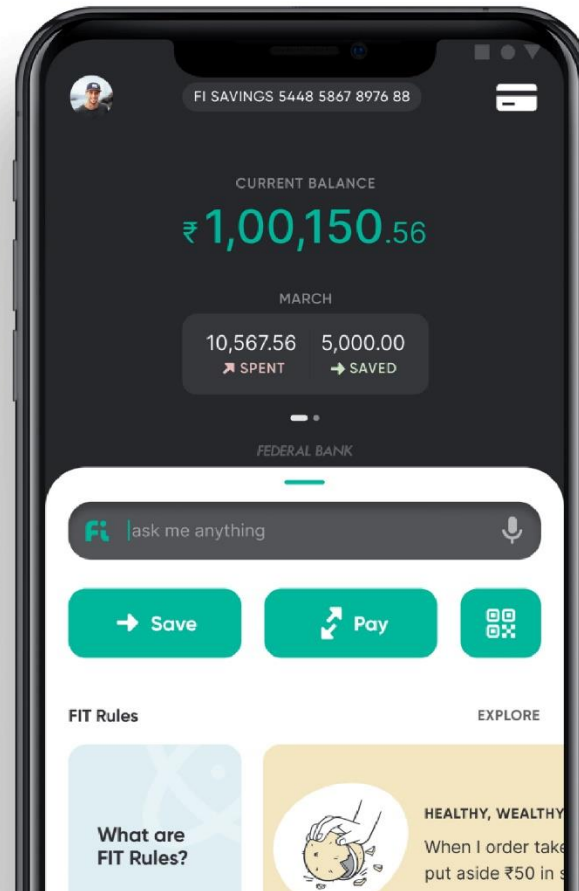




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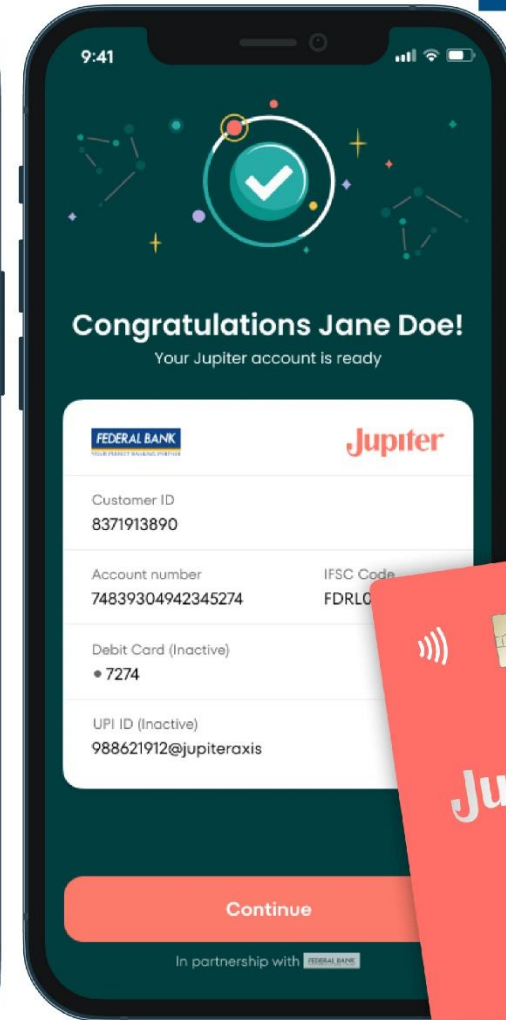
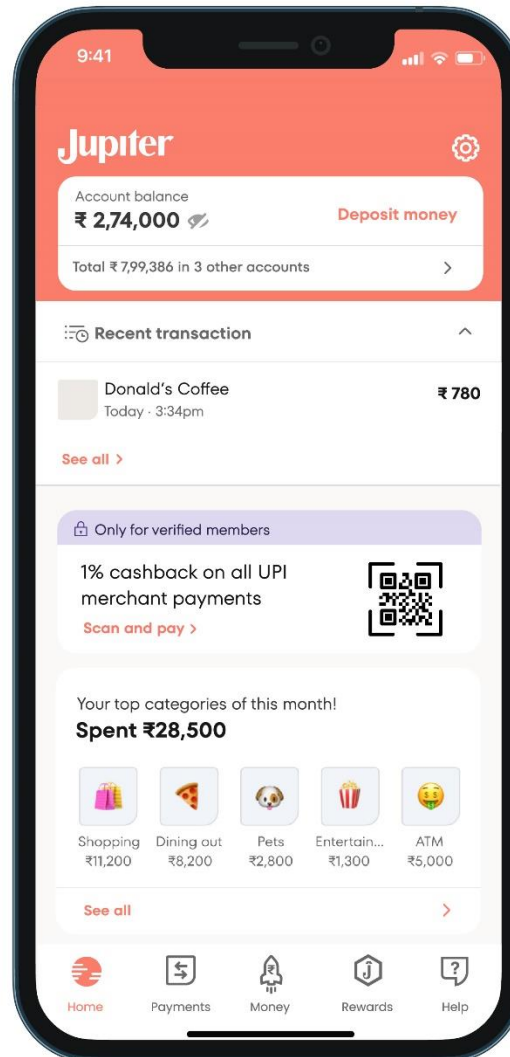
- Fi is a next gen Neo Banking platform.
- Positioned for the salaried millennial who are digitally native across their savings, investing and borrowing needs.
- Uses advanced analytics & data science to provide consumers with a personalized banking experience.
- In partnership with Federal Bank, the "Fi" app provides a savings account & a flexible recurring deposit termed "Smart Deposit".



Jupiter



- Jupiter is a Neo Banking platform powered by Federal Bank.
- Focusing on a personalised, user-centric banking and investment experience for salaried & millennial user segment.
- In partnership with the bank, Jupiter provides Savings Accounts, Debit Cards, Payments and UPI services to its users.



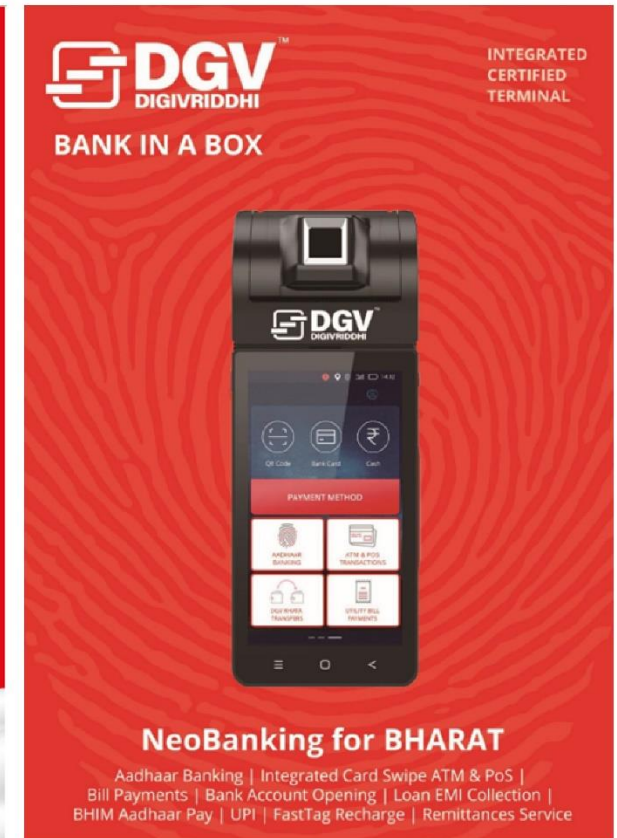


DigiVridddhi Technologies (DGV)

- DGV is a Neo for Bharat fintech empowering the underserved & under-banked with banking facilities.
- Federal Bank, DGV & Amul have joined hands to digitize the farmer milk payment life cycle spread across 18000 Milk Societies and 36 lac farmers.
- Now farmers can receive credits in their accounts & withdraw using Micro ATM services.



Catering the Under-Served/Banked

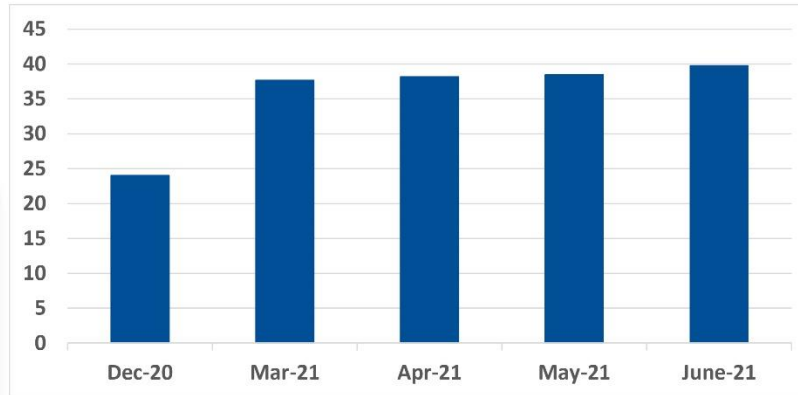




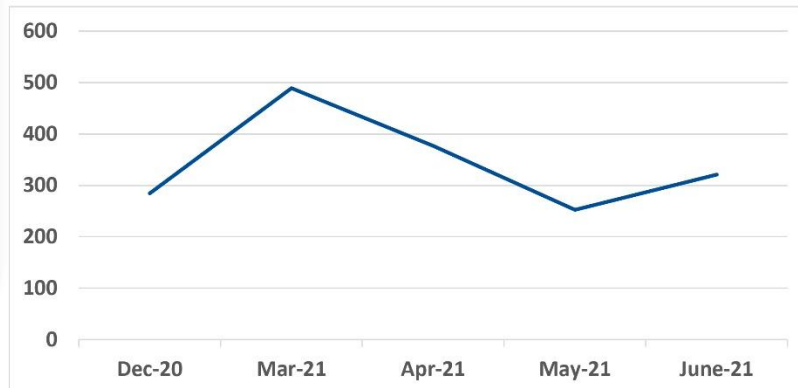
Merchant Network

- An offline acquirer of merchants providing QR codes for UPI Payments, POS machines and facilitating small loans.
- Bank now processes the highest number of transactions for Bharat Pe.
- We are No. 1 partner bank of Bharat Pe having 39L+ merchants on the platform & processing 10L+ transactions every day.

Number of Merchants (In Lakhs)



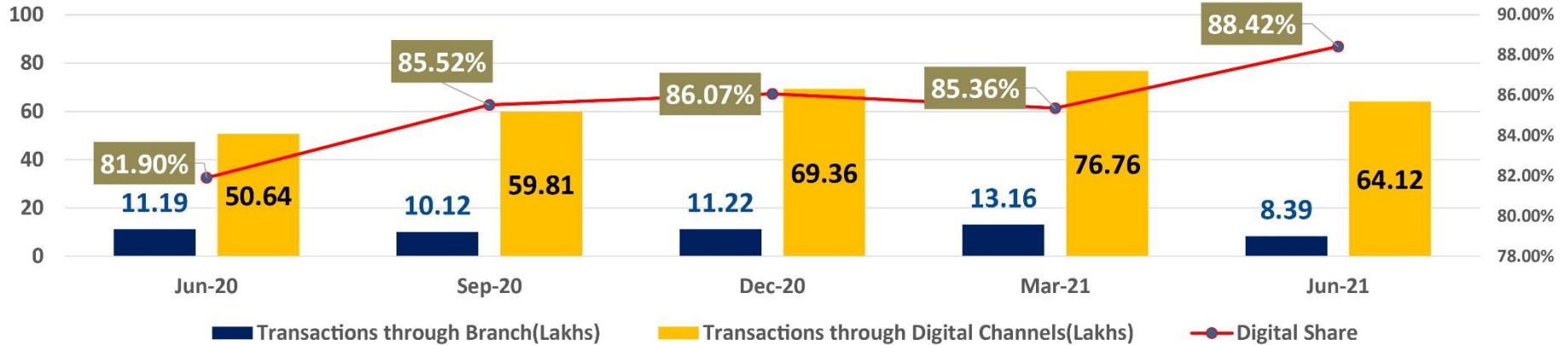
Growth in Transaction Count (In Lakhs)



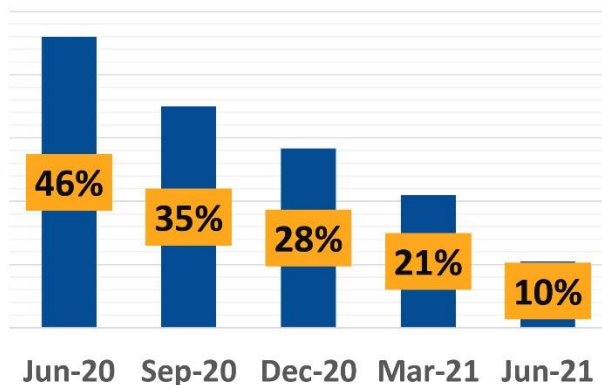
MERCHANT ACQUISITION



Branch vs Digital Transactions (In Lakhs)



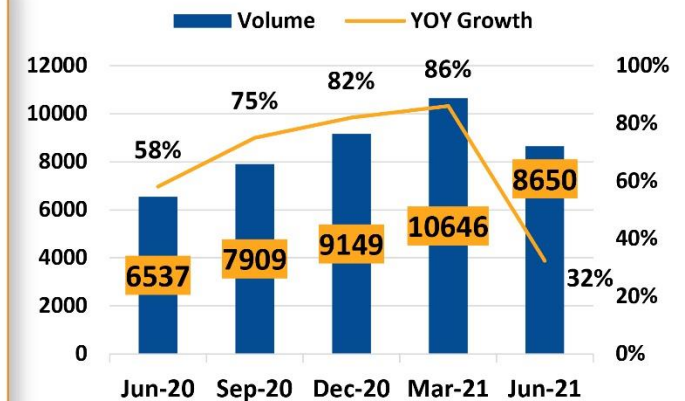
YoY Growth in Digital Users



- We have topped 'MEITY' Scorecard for the month of **Feb & Mar-21**.
- Mobile Banking volume stands at **8650 Crore**, a **82.32%** YOY growth.
- There is a YoY growth of **10%** in active digital users.
- Digital Share stands at **88.42%** for the month of June-21.
- Count of digital active users continues to increase.

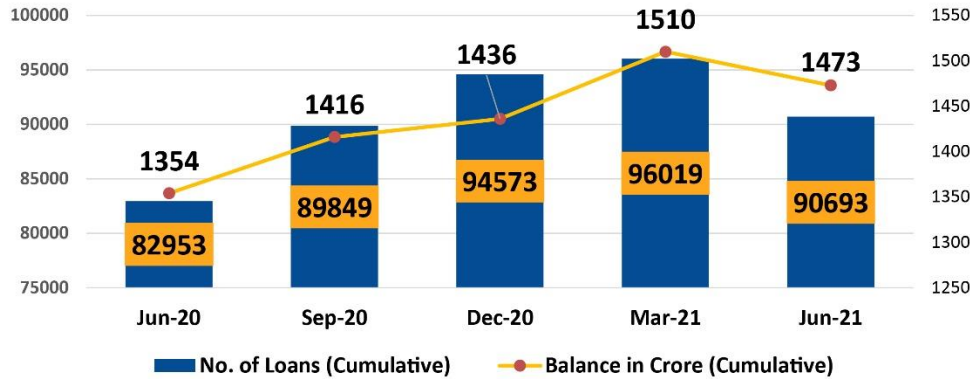
**Data is only for the corresponding month*

Mobile Banking Volume (In Crores)

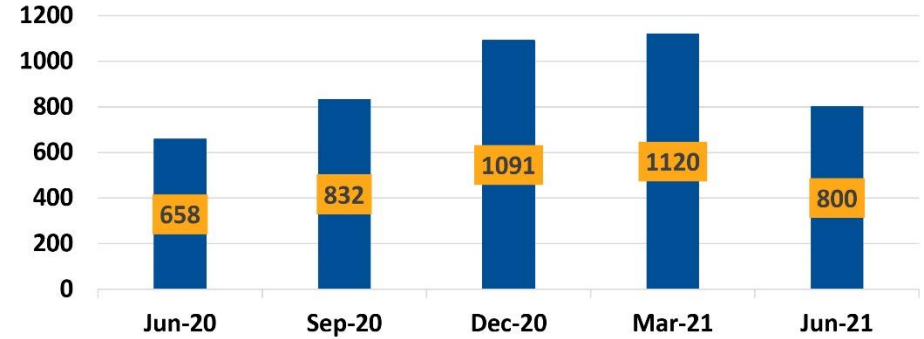


DIGITAL AT THE FORE, HUMAN AT THE CORE

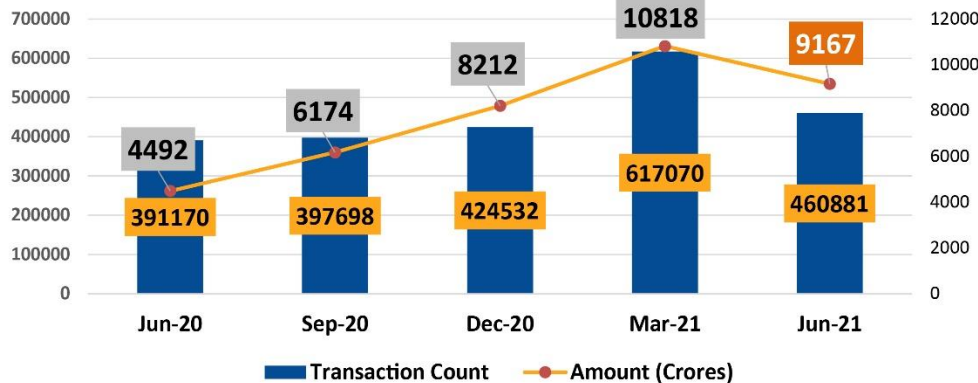
BYOM Digital Personal Loans : Loan book progress



Debit Card Spends (In Crores)



Fed-e-Biz



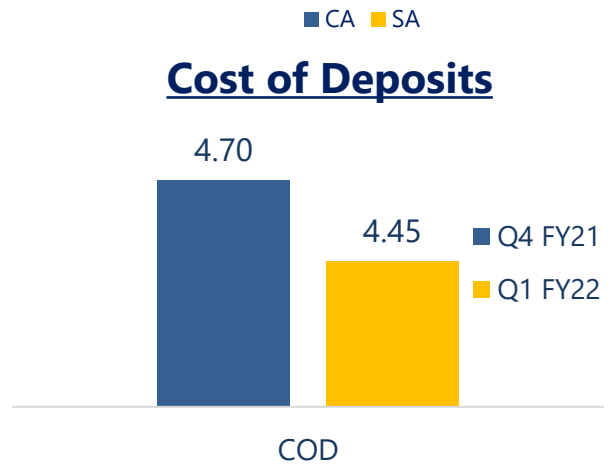
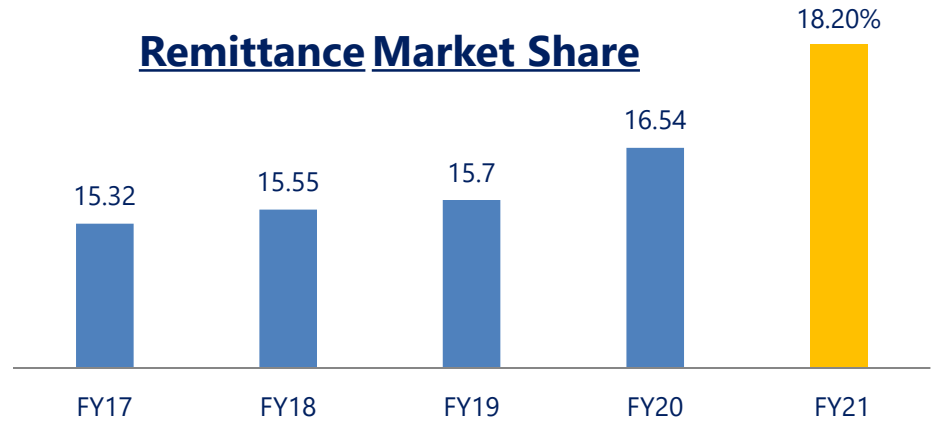
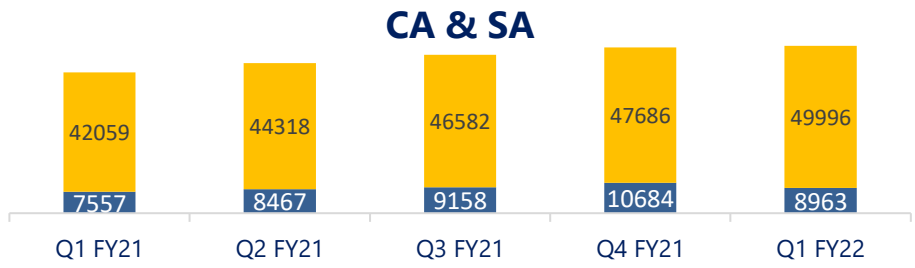
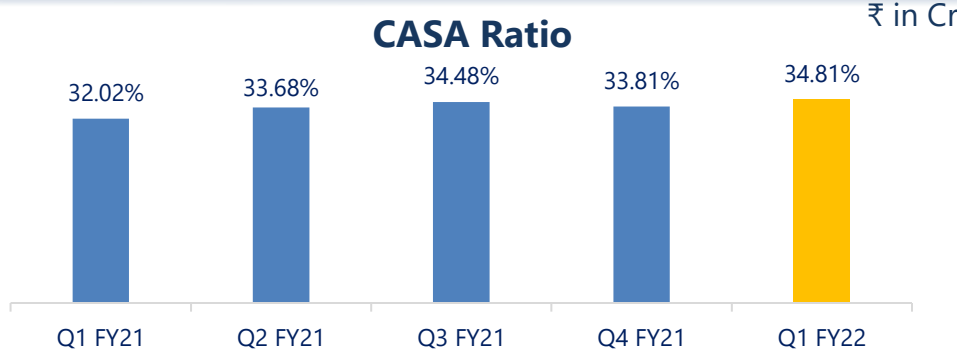
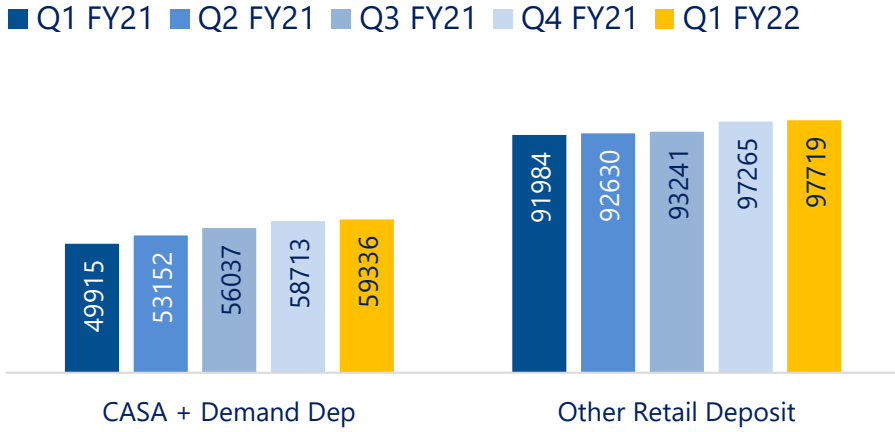
- BYOM enables digital instant personal loans through Federal Bank's Web Portal, FedMobile, Google Pay, Paisa Bazaar & Airtel Payments Bank.
- EMI on check out through PineLabs, Innoviti at multiple merchant locations through POS machines.
- EMI through online channels ex. Bill Desk (Amazon), Flex Money (Flipkart & Myntra) & PayU (MMT).



- Fed e-Biz is the omni channel transaction banking platform for corporates.
- 104% YOY growth in the platform and transaction volume has crossed 9K cr even amidst the pandemic.

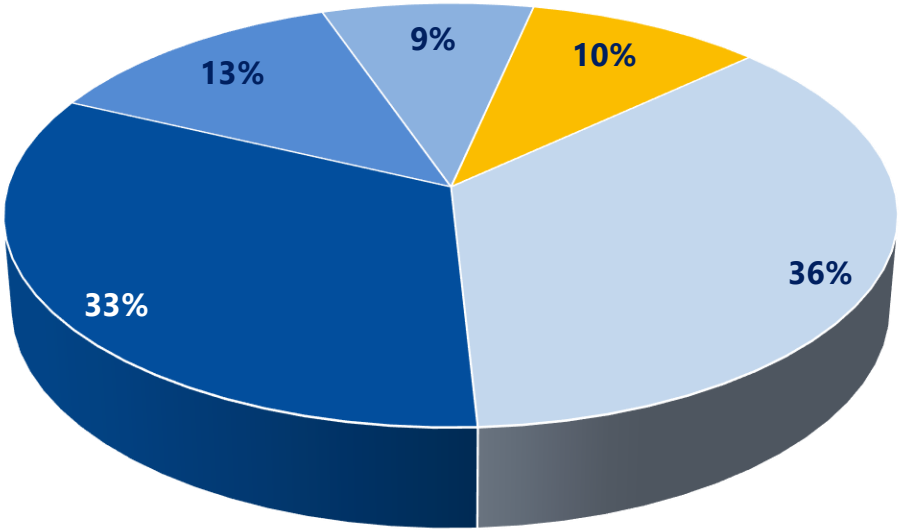
Business Parameters

Liability : Trends

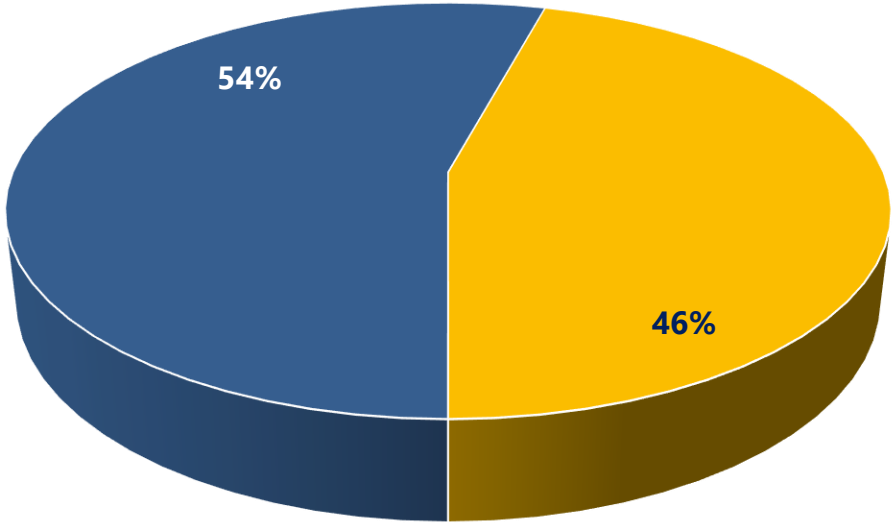


₹ in Cr

TOTAL LOAN BOOK

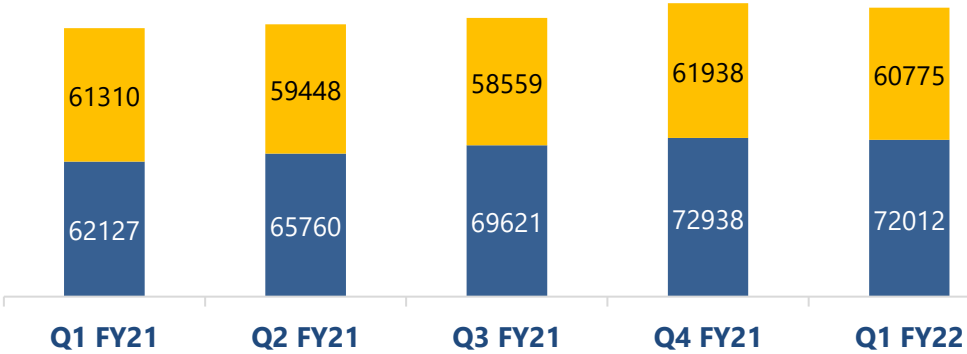
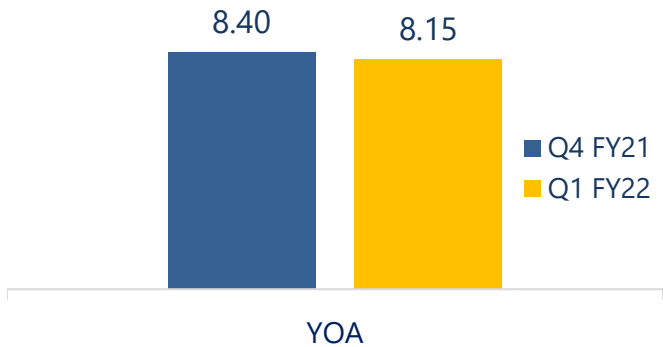


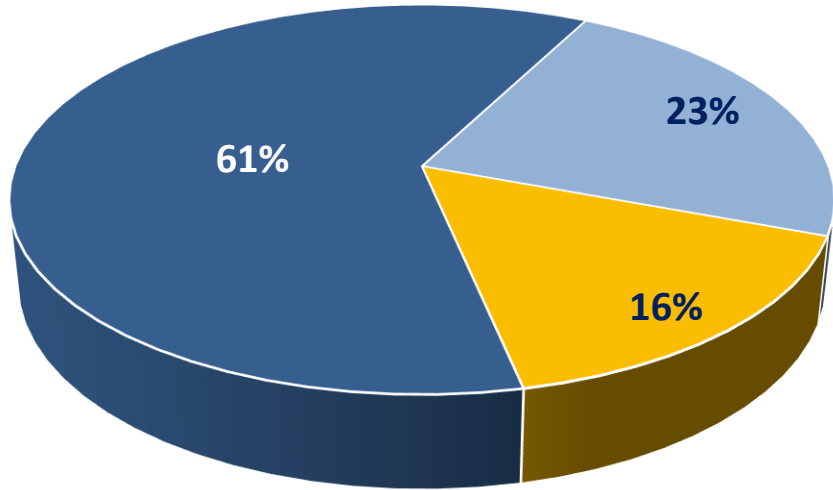
■ Retail ■ Agri ■ BuB ■ CB ■ CIB



■ Retail ■ Wholesale

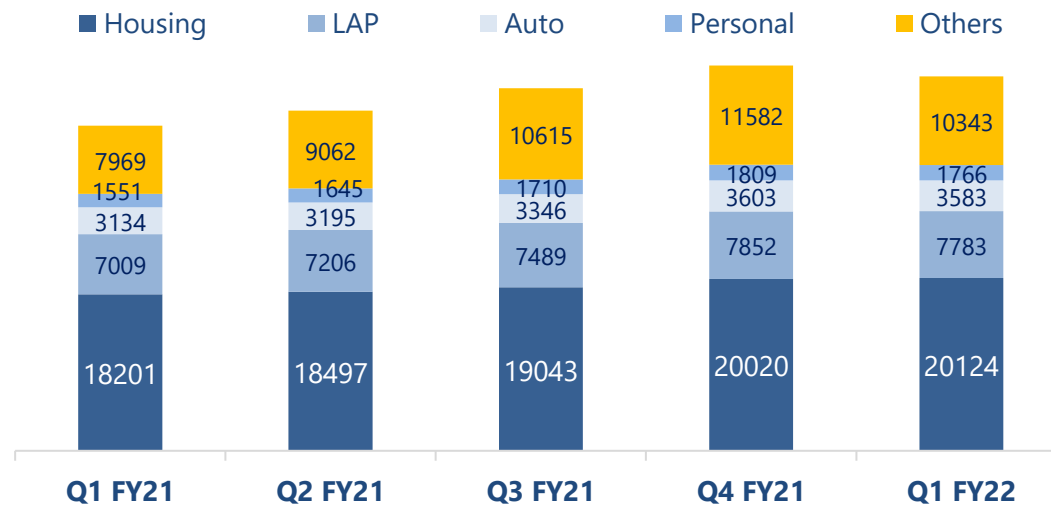
Yield on Advances



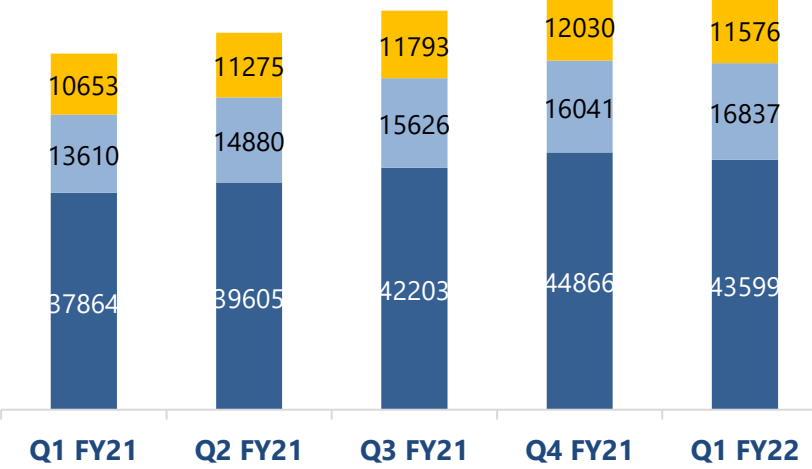


Retail Loan Book (Excl Agri & BuB)

₹ in Cr



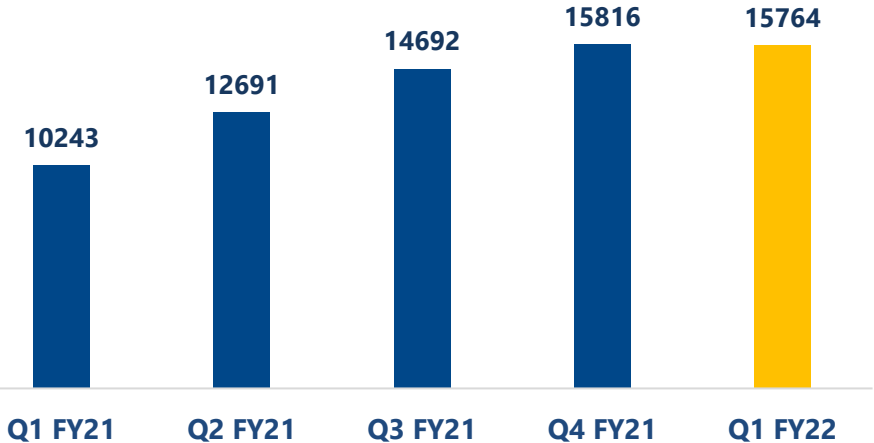
■ Retail ■ Agri ■ BuB



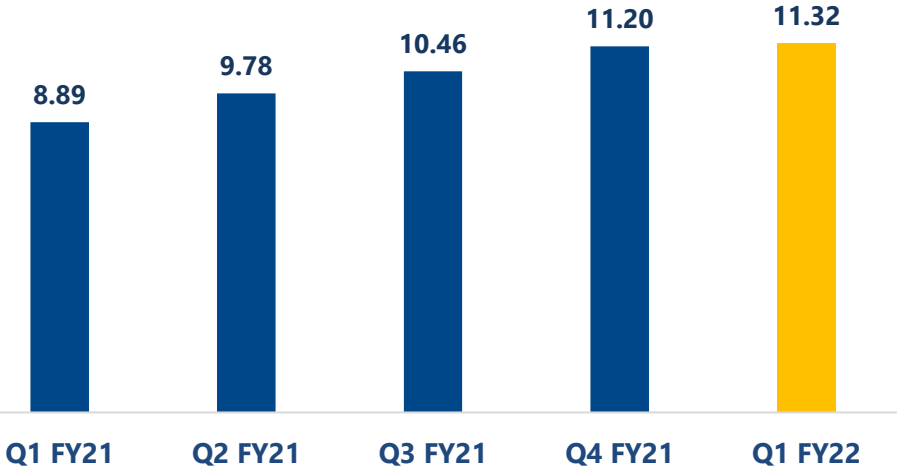
RETAIL BANKING

- Launched Credit cards and on-boarded 20000 cards to date
- Launched surrogate Assessment programmes for Auto loans, so as to ensure faster sanctions for small ticket Auto Loans under Maruti and Hyundai relationships.
- Disbursals through Fintech enabled Gold and Micro lending platforms crossed Rs.3500 Cr.
- The bank successfully launched its electronic platform "Fed e Connect" which provides its remittance counterparts with an elegant and efficient straight through solution for booking their FX deals.

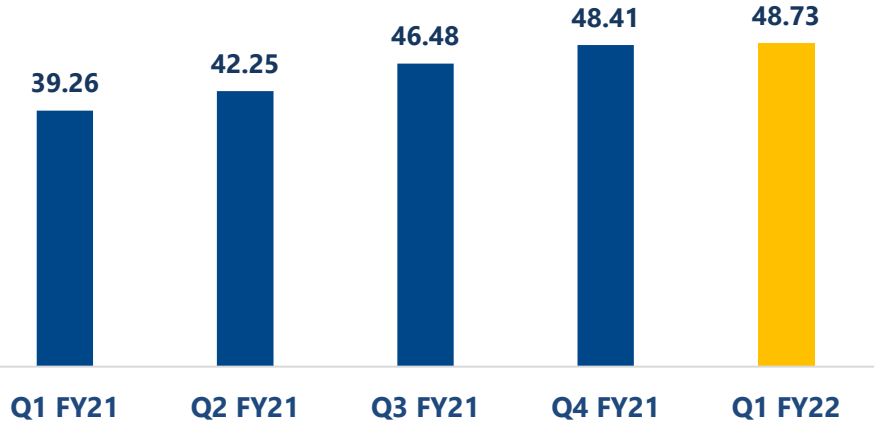
Gold Loan Portfolio



No of outstanding Accounts (in Lakhs)

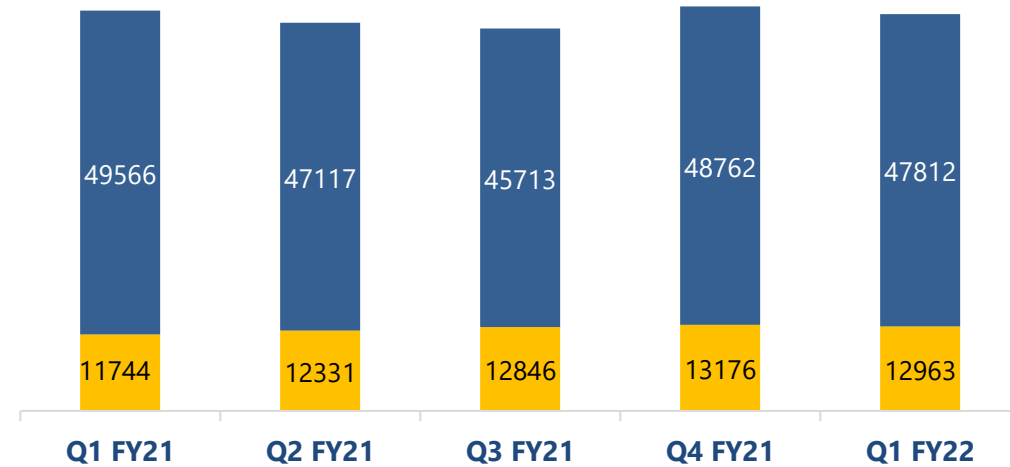
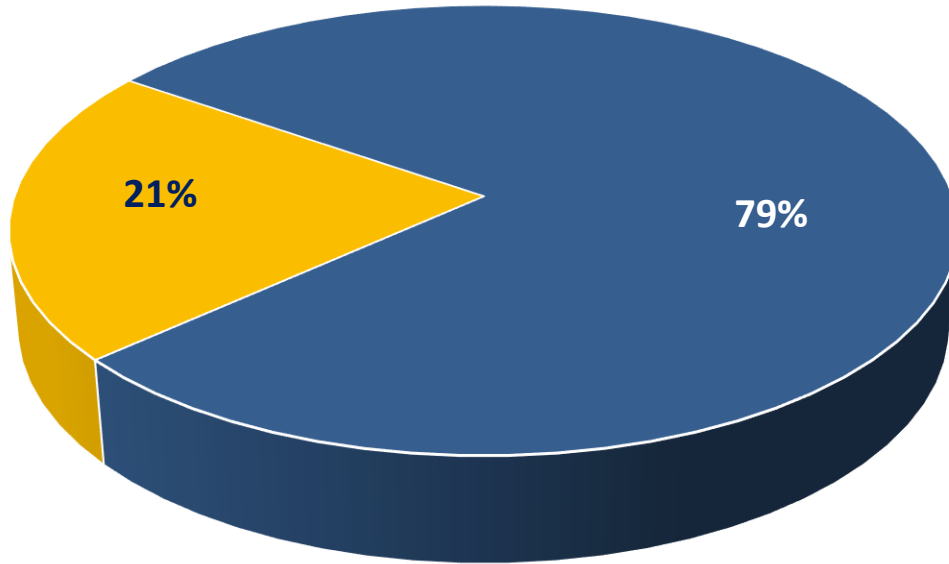


Tonnage



■ CoB ■ Corporate

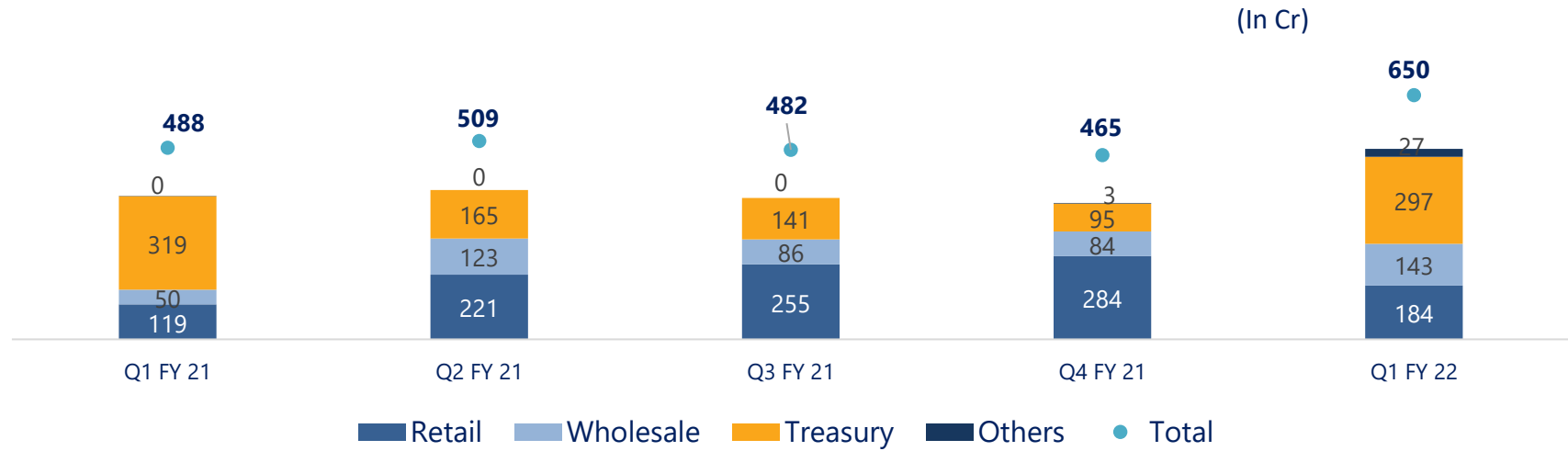
₹ in Cr



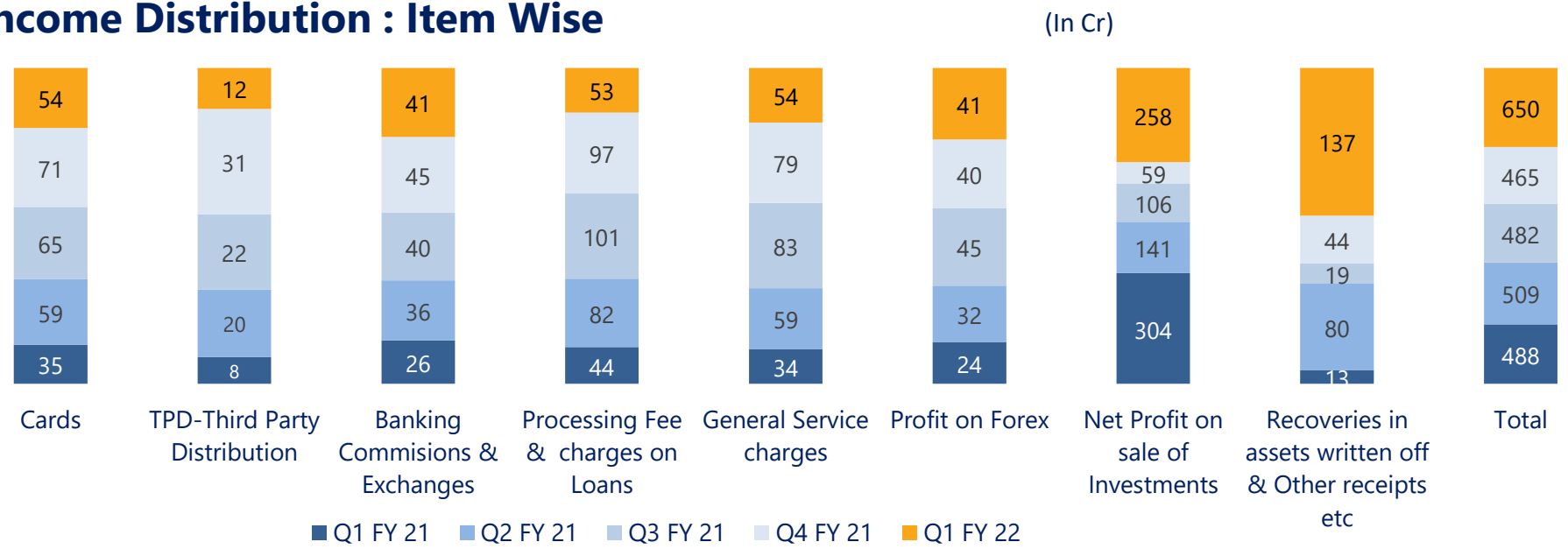
WHOLESALE BANKING

- Onboarded 45 new clients in CIB and 28 new clients in CoB, across business groups, geographies and sectors during the quarter.
- Digital channel adoption and CASA enabling products (Trade and Transaction products) helped Avg CASA grow by 26% YoY in CIB and 37% YoY in CoB
- Average Ticket Size of Wholesale Loan Book(CIB+CB) : 23 Cr
- Average Ticket Size of CIB & CB Loans is 59 Cr & 7 Cr Respectively

Fee Income Distribution : Vertical Wise

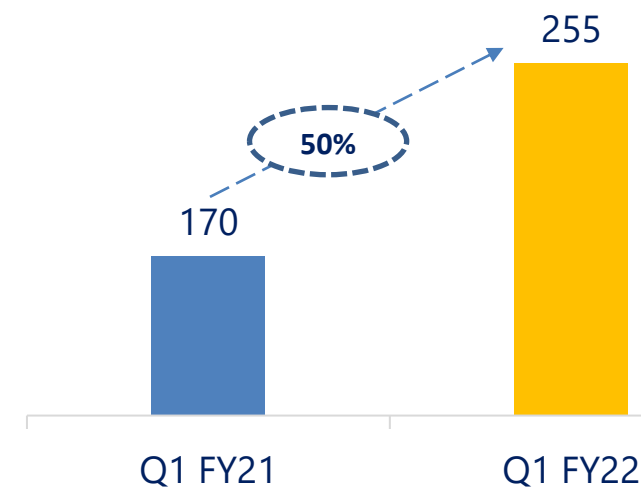


Fee Income Distribution : Item Wise

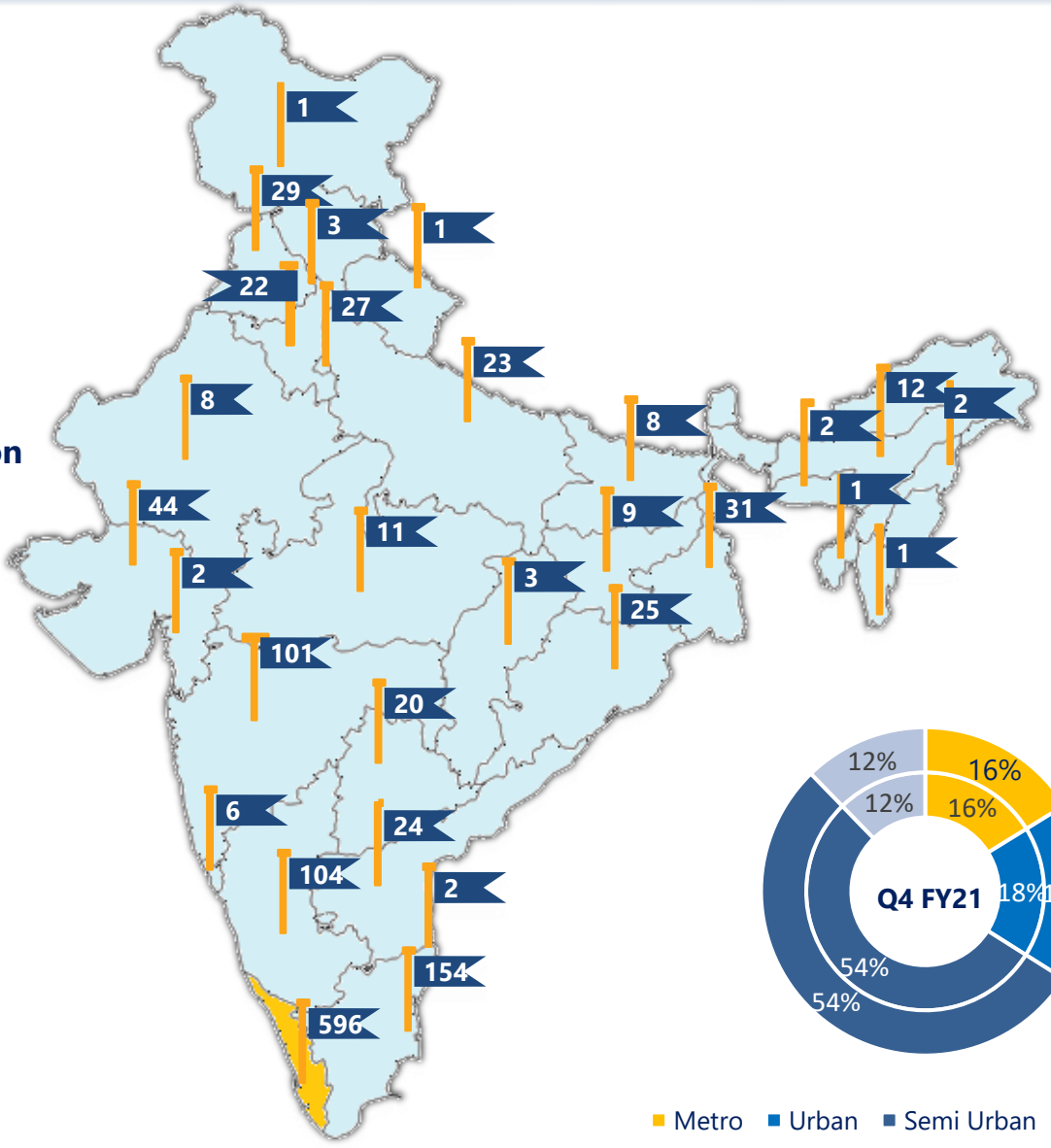
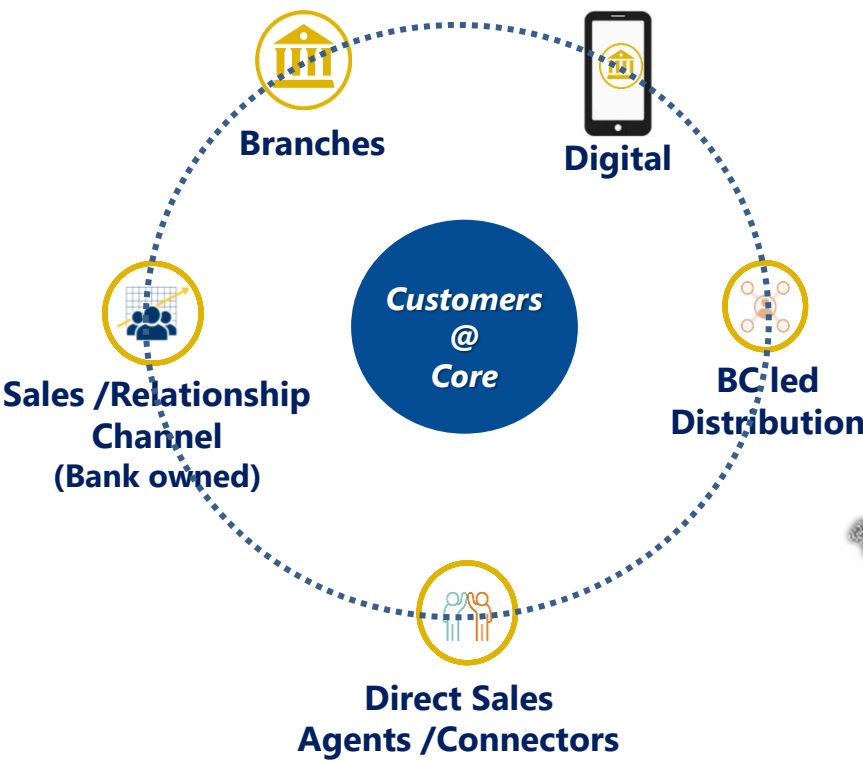


	Q1 FY22	Q4 FY21	Q3 FY21	Q2 FY21	Q1 FY21
Loan Processing Fee	53	97	101	82	44
Exchange, Commission, Brokerage & Other Fee Income	161	226	211	174	102
Net Profit on Forex Transactions	41	40	45	32	24
Fee Income	255	363	357	288	170
Profit on sale of securities	258	59	106	141	304
Recovery from assets written off, Other Receipts & misc.	137	44	19	80	13
Total Other income	650	465	482	509	488

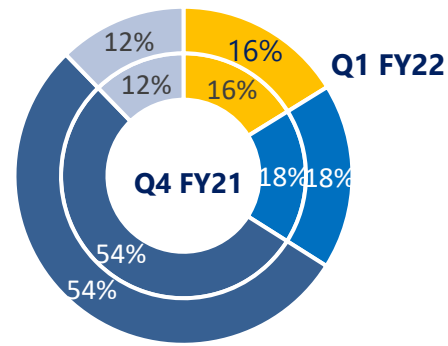
Fee Income (Y-o-Y)



Distribution : Deriving Efficiency from Footprint



	Q1 FY22	Q4 FY21	Q3 FY21
Branches	1272	1272	1272
ATM/ Recyclers	1953	1957	1948



■ Metro ■ Urban ■ Semi Urban ■ Rural

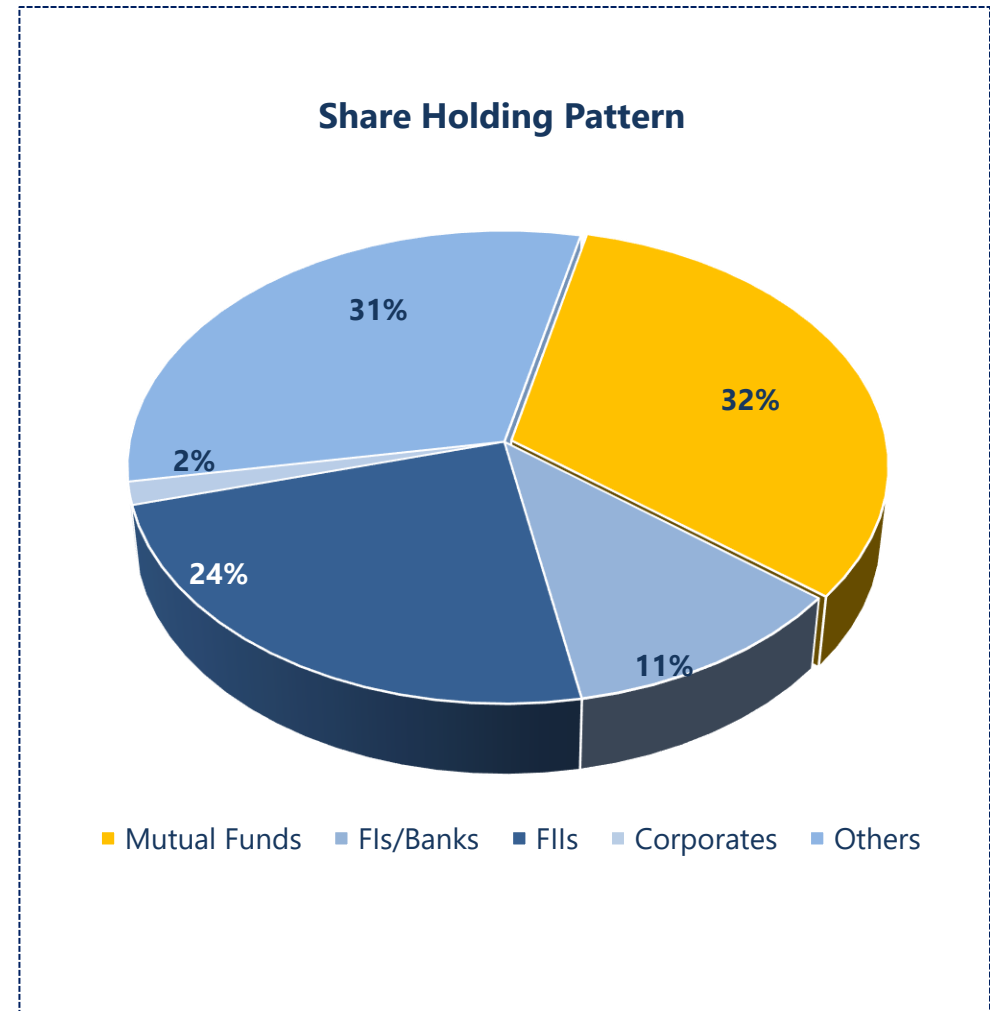
CRAR – How strong is your Bank?

₹ in Cr

	Jun-21	Mar-21
Risk Weighted Assets		
Credit Risk	94757	97762
Market Risk	3885	3763
Operational Risk	11695	10095
Total RWA	110337	111621
Tier-1 Capital Funds	15305	15455
Tier-II Capital Funds	851	868
Total Capital Funds	16156	16323
CRAR	14.64%	14.62%
Tier-I	13.87%	13.85%
Tier-II	0.77%	0.77%

Annexures

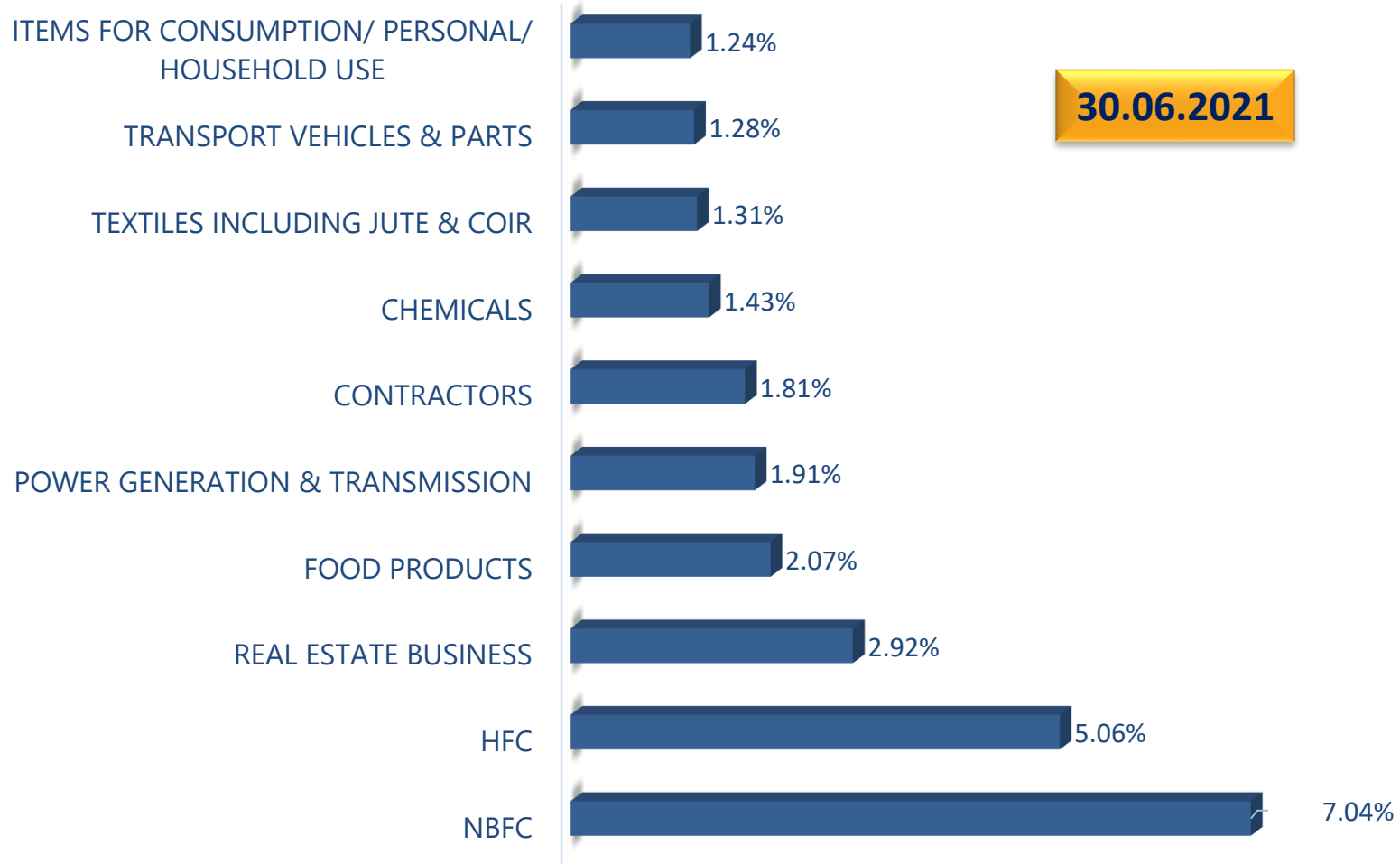
	Q1 FY22	Q4 FY21
LIABILITIES		
Capital	399	399
Reserves & Surplus	16089	15724
Deposits	169393	172644
Borrowings	9350	9069
Other Liabilities & Provisions	4807	3531
TOTAL	200038	201367
ASSETS		
Cash & Balance with RBI	8284	7647
Balances with Banks, Money at Call	11705	11944
Investments	37391	37186
Advances	129765	131879
Fixed Assets	532	491
Other Assets	12361	12220
TOTAL	200038	201367



₹ in Cr

	Q1 FY22	Q4 FY21	Q-o-Q	Q1 FY21	Y-o-Y
Interest Income	3356	3366	-0.3%	3444	-3%
Interest Expenses	1937	1946	-0.4%	2148	-10%
Net Interest Income	1418	1420	-0.2%	1296	9%
Other Income	650	465	40%	488	33%
Operating Expense	933	1001	-7%	852	10%
Total Income	4006	3832	5%	3932	2%
Total Expense	2871	2947	-2.6%	3000	-4%
Operating Profit	1135	885	28%	932	22%
Total Provisions	768	407	89%	531	45%
Net Profit	367	478	-23%	401	-8%
Net Interest Margin (%)	3.15	3.23	-8 bps	3.07	8 bps
Cost to Income Ratio (%)	45.12	53.06	-794 bps	47.76	-264 bps

Top 10 Sector wise exposure as a % of Total Advance



Major Investments

Entity	% of stake
Federal Operations & Services Limited (FedServ)	100.00%
Fedbank Financial Services Limited	74.00%
Ageas Federal Life Insurance Company Limited	26.00%
Equirus Capital Private Ltd	19.90%

Subsidiaries & JVs

Ageas Federal Life Insurance Co. Ltd.

- Bank's Joint Venture Life Insurance Company, in association with Ageas
- Federal Bank holds 26% equity in the J.V.
- Started selling life insurance products from March 2008

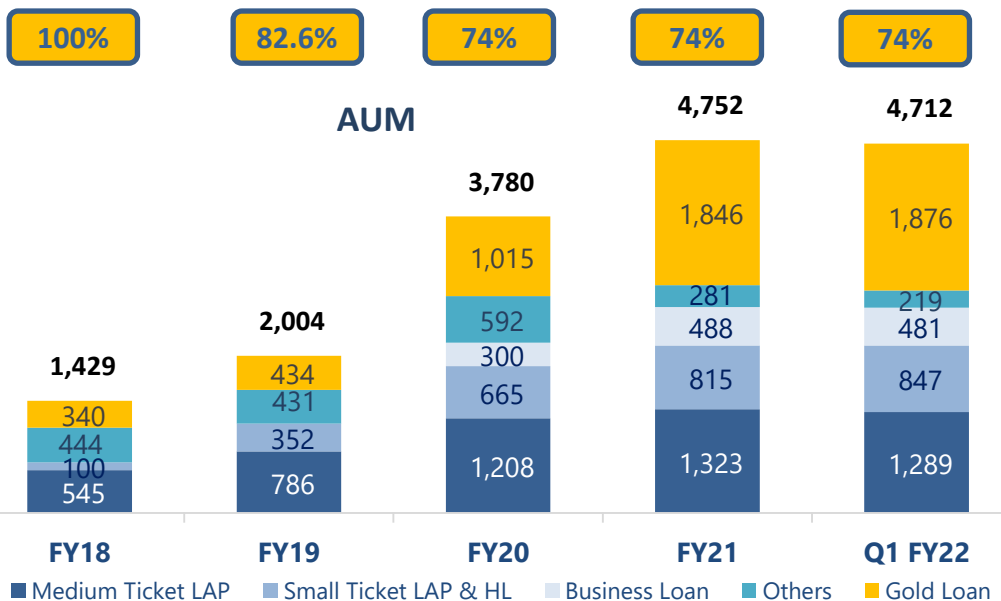
FedBank Financial Services Ltd.

- Total AUM 4700+ Cr.
- Marketing Retail Asset Products of the Bank
- Retail Hubs established at major centres all over India
- Separate mechanism established for speedy and dedicated processing of retail loans sourced through this channel.

Federal Operations & Services Limited (FedServ)

- FedServ is a wholly owned subsidiary company of Federal Bank.
- It provides operational & technology oriented services to Federal Bank
- Located at Visakhapatnam & Kochi
- Designed to deliver excellence in service, mitigation of risk and cost efficiencies

Federal Bank Stake in Fedfina



₹ in Cr

	Q1 FY22	Q1 FY21	Y-o-Y	Q4 FY21	Q-o-Q
Net Worth	1047	708	48%	832	26%
Total Revenue	197	150	32%	190	4%
NII	99	73	35%	94	5%
PPOP	49	30	63%	42	16%
PBT	20	19	6%	29	-32%
PAT	15	14	5%	22	-32%
GNPA (%)	3.21%	1.49%	172 bps	0.98%	224 bps
NNPA (%)	2.68%	1.28%	140 bps	0.79%	189 bps
CAR (%)	26.9%	18.1%	878 bps	23.5%	338 bps

Additional COVID provision carried in the books as on Jun'21 - ₹ 55.92 Cr

HIGHLIGHTS

- Raised ₹ 200 Cr capital through rights issue in Jun'21
- Collections bounced back in June, post COVID 2 impact
- 10 New Small Ticket LAP branches launched in Q1FY22
- Certified 16th Best Small Company in India - BPTW 2021

13
STATES

369
BRANCHES

2,306
EMPLOYEES

₹. 4,712Cr
LOAN BOOK

AA- (Stable)
CREDIT RATING
(IND-RA)

26.85%
CAPITAL ADEQUACY



- Fixed Deposits and Certificate of Deposits enjoy highest rating in that class.



FEDERAL BANK

**EVERY WIN
JUST SPURS US TO
GREATER
HEIGHTS.**

We have been declared **winner** in the Private Sector Bank of the Year category at the just concluded 20th edition of **Outlook Money Awards!**

Declared Winner in the Private Sector Banks in India, for improvement in financial performance, good asset quality and product diversification with technology and digital experience for customers, at the prestigious Outlook Money Awards



FEDERAL BANK
YOUR PERFECT BANKING PARTNER

The Federal Bank Ltd



Recognized as one among India's Best 50 Companies to work for in 2021 by Great Place to Work Institute.

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Thank You