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PRESS RELEASE

Federal Bank continues its strong operating momentum with 29% growth in Operating Profit

Federal Bank announced Unaudited Financial Results for the quarter ended 31st December 2020. Major highlights of the results on a Y-o-Y basis are as follows:

- Operating profit recorded a growth of 29.45%
- Highest ever Net Interest Income @ Rs. 1437, grew by 24.42%
- NRE deposits grew by 16.64%
- Gold Loans registered a staggering growth of 67.26%
- CASA grew by 22.55% YoY and CASA ratio improved to 34.48%
- Retail Advances grew by 15.58%
- Agricultural advances recorded a growth of 23.84%
- Business Banking Advances grew by 12.54%

Commenting on the results, Mr. Shyam Srinivasan, MD & CEO, said, "The Bank continues its strong operating momentum despite external turbulences. This has helped the Bank strengthen its Balance Sheet further. The growth in Net Interest Margin is encouraging given the challenging operating environment. Gold Loan continues its golden run, and that is promising. Provisions have been increased substantially to absorb any unfavourable turn of events. Asset quality issues have been kept in check despite external headwinds. The Bank crossed two key milestones during the quarter. The first one being the Rs.1000 Cr debit card spends in a month and the second one being Rs. 1 Trillion personal inward remittances in a calendar year. The former puts the Bank in the elite league of top 5 Banks in debit card spends."

Q3FY20 Vs Q3FY21

- Agri Advances registered growth of 23.84% to reach Rs. 15661 Cr
- Retail Advances grew 15.58% to reach Rs. 42247 Cr
- Business Banking Advances grew 12.54% to reach Rs.11652 Cr
- CASA registered growth of 22.55% to reach Rs. 55740 Cr
- NRE Deposits grew 16.64% to reach Rs.62505 Cr
- Net worth of the Bank reached Rs.15645 Cr
- Book Value per share increased to Rs. 78.39 from Rs. 71.33

Balance Sheet

Total Business of the Bank grew 8.85% Y-o-Y from Rs.263814 Cr as on 31st December 2019 to Rs.287175 Cr as on 31st December 2020. While Total Deposits reached Rs.161670 Cr from Rs.144592 Cr, Net Advances reached the figure of Rs. 125505 Cr as on 31st December 2020.

Operating Profit & Net Profit

The Bank recorded Operating Profit of Rs. 963 Cr during the quarter as against Rs. 743.82 Cr during the same quarter last year. Net Profit for the quarter stood at Rs. 404 Cr down from Rs. 440.64 Cr a year before, primarily on account of increased provisions.

Margins

The Bank earned Net Interest Income of Rs.1437 Cr for the quarter as against Rs. 1155 Cr for the same quarter last year. The Net Interest Margin of the Bank during quarter ended 31st December 2020 stood at 3.22%, an increase of 22 basis points from the same quarter last year.

Asset Quality

Gross NPA and Net NPA of the Bank as at the end of the Quarter stood at Rs.3470 Cr and Rs. 757 Cr respectively. Gross NPA as a percentage improved from 2.99% to 2.71% while Net NPA improved from 1.63% to 0.60% on a YoY basis. Provision Coverage Ratio improved substantially from 45.30% to 77.10%.

NET WORTH & CAPITAL ADEQUACY

Net worth of the Bank increased to Rs.15645 Cr as on 31st December 2020 from Rs.14211 Cr as on 31st December 2019. Capital Adequacy Ratio (CRAR) of the Bank, computed as per Basel III guidelines stood at 14.31% as at the end of the quarter.

Footprint

The Bank has 1272 branches and 1948 ATMs/Recyclers as on 31st December 2020.

MAJOR FINANCIAL INDICATORS (Standalone nos.)

(Rs. in Crore)

Business Figures	As on 31.12.2020	As on 31.12.2019	Growth (%)
Total Deposits	161670	144592	↑11.81%
CASA	55740	45484	↑22.55%
Net Advances	125505	119222	↑5.27%
Retail Advances	42247	36551	↑15.58%
Business Banking Advances	11652	10354	↑12.54%
Agri Advances	15661	12646	↑23.84%
Capital			
Equity Capital	399.17	398.46	
Net Worth	15645	14211	↑10.09%
Capital Adequacy (%)	14.31%	13.64%	
Tier I (%)	13.00%	12.62%	
Tier II (%)	1.31%	1.02%	

Connect with us



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

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