

Secretarial Department

FEDERAL BANK
YOUR PERFECT BANKING PARTNER

SDF-24/ /2018-19

04th October 2018

The Manager
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (E),
Mumbai – 400 051.

Dear Sir,

Sub: Reply to clarifications sought dated 04th October 2018

With reference to the clarifications sought from your end we wish to state as follows:

1. Whether such event stated in published news were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order?

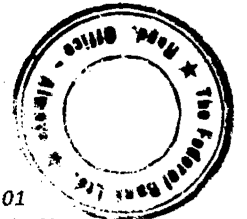
The Reserve Bank of India (RBI) has vide letter dated 25th September 2018 received at Bank office on 03rd October 2018, imposed a monetary penalty of Rs 50 million on the Bank for non-compliance of some of the regulatory requirements prescribed by RBI including violation of Section 19(2) of Banking Regulation Act, 1949 for exceeding limit in respect of shares pledged as collateral security; and for non-compliance with the directions issued by RBI on (a) reporting of data on Central Repository of Information on Large Credits (CRILC) due to incorrect total exposure in certain accounts, (b) reporting to RBI for assessment under RBS by reporting incorrect data in respect of certain data points under RBS, (c) payment of compensation for delay in resolution of ATM-related customer complaints, while the Customers were reimbursed with the principal amount not compensated for delay in reimbursement, and (d) Know Your Customer / Anti-money Laundering (KYC/AML) norms.

2. The material impact of this article on the Company?

The monetary penalty of Rs 50 million is the direct impact and the Bank will effect payment shortly.

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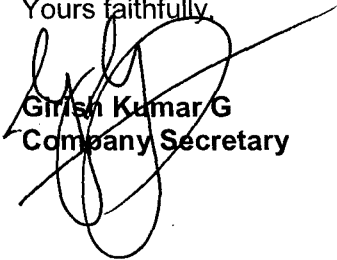
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3. Whether company are aware of any information that has not been announced to the Exchanges under Regulation 30 of Listing Regulations. If so, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under Regulation 30 of the Listing Regulations?

The Bank is not aware of any information other than what has been announced by the Bank under Regulation 30 of the Listing Regulations and which has been published as per regulatory requirements.

We request you to kindly take the above clarification on record.

Thanking you,
Yours faithfully,


Girish Kumar G
Company Secretary

