FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Balance Sheet as at 31 March 2026

Currency: USD in million

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Assets			
Balances with other banks and money at call and short	3	103.03	18.09
Derivative financial instruments	4	0.78	3.50
Investments	5	0.49	2.18
Advances	6	603.47	401.00
Property, plant and equipment	7	0.01	0.02
Right of Use Assets	23	0.03	0.05
Other assets	8	0.74	2.38
Total assets		**708.55**	**427.22**
Liabilities			
Deposits	9	150.05	56.80
Borrowings	10	513.64	329.95
Lease liabilities	23	0.02	0.04
Derivative financial instruments	4	-	-
Other liabilities and provisions	11	0.72	0.03
Total Liabilities		**664.43**	**386.82**
Equity			
Capital from HO	1	56.25	56.25
Other Equity	12	(12.13)	(15.85)
Total Equity		**44.12**	**40.40**
Total Liabilities and Equity		**708.55**	**427.22**
Contingent liabilities, commitments and guarantees	22	23.70	79.05
Accounting policies and notes to the financial statements	1-23		

The notes referred to above form an integral part of the financial statements.

For Suri & Co.
Chartered Accountants
Firm's Registration No: 004283S

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CA G Rengarajan
Partner
Membership No: 219922
Chennai
August 20, 2026

For and on behalf of
FEDERAL BANK Limited, IFSC Banking Unit, GIFT City

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Pragnesh Panchal
Deputy Vice President & IBU Head

GIFT City, Gandhinagar
August 20, 2026

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Statement of Profit and Loss for the year ended 31 March 2026

Currency: USD in million

Particulars	Note	Year Ended 31 March 2026	Year Ended 31 March 2025
Interest income	13	27.33	26.64
Interest expense	14	19.90	24.15
Net interest income		**7.43**	**2.49**
Fees and commission income		0.04	0.05
Fees and commission expense		-	-
Net fee and commission income		**0.04**	**0.05**
Net (loss) / gain on fair value changes	15	(2.72)	3.59
Other income	16	0.43	0.12
Total income		**5.18**	**6.25**
Impairment loss / (gain) on financial instruments	17	0.86	(10.22)
Employee benefits	18	0.28	0.30
Depreciation	20	0.02	0.03
Other expenses	19	0.30	0.27
Total expenses		**1.46**	**(9.62)**
Net profit for the year		**3.72**	**15.87**
Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income		**-**	**-**
Total Comprehensive Income for the year		**3.72**	**15.87**
Accounting policies and notes to the financial statements	1-23		

The notes referred to above form an integral part of the financial statements.

For Suri & Co.
Chartered Accountants
Firm's Registration No: 004283S

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GIFT City, Gandhinagar
August 20, 2026

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Statement of cash flows for the year ended 31 March 2026

Currency: USD in million

Particulars	Year Ended	
	31 March 2026	31 March 2025
1 CASH FLOW USED IN OPERATING ACTIVITIES		
Net profit for the period	3.72	15.87
Adjustments for :		
Depreciation and amortisation	0.02	0.03
Net loss / (gain) on fair value changes	2.72	(3.59)
Net (gain) on derecognition of financial assets at FVTOCI	(0.00)	(0.04)
Interest on lease liabilities	0.00	0.00
Impairment loss / (gain) on financial instruments	0.86	(10.22)
Operating profit before working capital changes	**7.32**	**2.05**
Adjustments for working capital changes:		
Increase in advances	(203.33)	(22.77)
Decrease / (Increase) in other financial/non financial assets	1.65	(2.31)
Increase in other financial/ non financial liabilities	93.94	49.97
Cash used in operations	**(100.42)**	**26.94**
NET CASH USED IN OPERATING ACTIVITIES (A)	**(100.42)**	**26.94**
2 CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital advances)	(0.00)	(0.00)
Purchase of investments	(0.49)	(2.18)
Proceeds from sale of investments	2.18	1.44
NET CASH GENERATED / (USED) IN INVESTING ACTIVITIES (B)	**1.69**	**(0.74)**
3 CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	183.69	-
(Repayment) from borrowings	-	(63.64)
Repayment of lease liabilities	(0.02)	(0.03)
NET CASH FROM FINANCING ACTIVITIES (C)	**183.67**	**(63.67)**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	**84.94**	**(37.47)**
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	18.09	55.56
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR (Refer Note 3)	**103.03**	**18.09**

Accounting policies and notes to the financial statements 1-23

The notes referred to above form an integral part of the financial statements.

For Suri & Co.
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GIFT City, Gandhinagar
August 20, 2026

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Statement of changes in equity for the year ended 31 March 2026

Currency: USD in million

1 Capital from HO

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	56.25	56.25
Issued during the year	-	-
Balance at the close of the year	**56.25**	**56.25**

Other equity

Particulars	Reserves and Surplus	Items of Other Comprehensive Income (OCI)	Total
	Retained Earnings	Gains/ (losses) of other financial assets through OCI	
Balance as at 31 March 2024	**(31.72)**	**-**	**(31.72)**
Net profit for the year	15.87	-	15.87
Other Comprehensive Income for the year	-	-	-
Balance as at 31 March 2025	**(15.85)**	**-**	**(15.85)**
Net profit for the year	3.72	-	3.72
Other Comprehensive Income for the year	-	-	-
Balance as at 31 March 2026	**(12.13)**	**-**	**(12.13)**

Refer Note 12 for nature and purpose of the above reserves

Accounting policies and notes to the financial statements 1-23

The notes referred to above form an integral part of the financial statements.

For Suri & Co.
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August 20, 2026

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

3 Balances with other banks and money at call and short notice

Sr No	Particulars	31 March 2026	31 March 2025
I	**Balance with other banks**		
	(a) in Current Accounts	39.03	10.55
	(b) in Reverse Repo	-	-
	(c) in Other deposit accounts	35.00	0.54
	Subtotal (a and b)	**74.03**	**11.09**
II	**Money at Call and Short Notice**		
	(a) with Banks	29.00	7.00
	(b) with other institutions	-	-
	Subtotal (a and b)	**29.00**	7.00
	Total (I, and II)	**103.03**	**18.09**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

4 Derivative Financial Instruments

Particulars	31 March 2026	
	Fair value- Assets	Fair value- Liabilities
Currency derivatives		
Currency swaps	0.78	-
Total	**0.78**	**-**

Particulars	31 March 2025	
	Fair value- Assets	Fair value- Liabilities
Currency derivatives		
Currency swaps	3.50	-
Total	**3.50**	**-**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

5 Investments

Particulars	As at 31 March 2026					
	Amortised Cost	At Fair Value				Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	
Investments in						
(i) Government Securities	-	0.49	-	-	0.49	**0.49**
(ii) Debt Securities	-	-	-	-	-	**-**
(iii) Others	-	-	-	-	-	**-**
Total Gross	-	0.49	-	-	0.49	**0.49**
Less: Impairment Loss Allowance	-	-	-	-	-	-
Total Net	**-**	**0.49**	**-**	**-**	**0.49**	**0.49**

Particulars	As at 31 March 2025					
	Amortised Cost	At Fair Value				Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	
Investments in						
(i) Government Securities	-	0.49	-	-	0.49	**0.49**
(ii) Debt Securities	-	-	1.69	-	1.69	**1.69**
(iii) Others	-	-	-	-	-	**-**
Total Gross	-	0.49	1.69	-	2.18	**2.18**
Less: Impairment Loss Allowance	-	-	-	-	-	**-**
Total Net	**-**	**0.49**	**1.69**	**-**	**2.18**	**2.18**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

6 Advances

Particulars	As at 31 March 2026					
	Amortised Cost	At Fair Value				Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	
Advances						
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-
(ii) Cash Credits, Overdrafts, Loans repayable on Demand	390.01	-	-	-	-	390.01
(iii) Term Loans	218.19	-	-	-	-	218.19
Gross	**608.20**	-	-	-	-	**608.20**
Less: Impairment loss allowance	(4.73)	-	-	-	-	(4.73)
Net	**603.47**	-	-	-		**603.47**

Particulars	As at 31 March 2025					
	Amortised Cost	At Fair Value				Total
		Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	
Advances						
(i) Bills Purchased and Bills Discounted	-	-	-	-	-	-
(ii) Cash Credits, Overdrafts, Loans repayable on Demand	336.74	-	-	-	-	336.74
(iii) Term Loans	68.12	-	-	-	-	68.12
Gross	**404.86**	-	-	-	-	**404.86**
Less: Impairment loss allowance	(3.86)	-	-	-	-	(3.86)
Net	**401.00**	-	-	-	-	**401.00**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

7 Property, Plant & Equipment

Particulars	As at 31 March 2026	As at 31 March 2025
Other fixed assets (including furniture & fixtures)		
Gross Block		
At cost, beginning of the year	0.04	0.03
Addition during the year	0.00	0.00
Deductions during the year	-	-
Closing Balance at the end of the year	**0.04**	**0.04**
Accumulated Depreciation		
Accumulated Depreciation at the beginning of the year	0.02	0.02
Charge during the year	0.00	0.01
Deductions during the year	-	-
Closing Balance at the end of the year	**0.03**	**0.02**
Net Carrying amount at the end of the year.	**0.01**	**0.02**

8 Other Assets

Particulars	As at 31 March 2026	As at 31 March 2025
Security Deposits	0.31	0.31
Other Advances - Trading AC USD-AED	0.42	2.07
Others	-	0.00
Total	**0.74**	**2.38**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

9 Deposits

Particulars	As at 31 March 2026			As at 31 March 2025		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)	At Amortised Cost (4)	At Fair Value through Profit and Loss (5)	Total (6)=(4)+(5)
Demand Deposits						
(i) From Banks						
(ii) From Others	74.63	-	74.63	5.57	-	5.57
Savings Deposits	14.72	-	14.72	0.94	-	0.94
Term Deposit		-			-	-
(i) From Banks	60.70	-	60.70	50.29	-	50.29
(ii) From Others	-	-	-	-	-	-
Total	**150.05**	**-**	**150.05**	**56.80**	**-**	**56.80**
Deposits - non-interest bearing	74.63	-	74.63	5.57	-	5.57
Deposits - interest bearing	75.42	-	75.42	51.23	-	51.23
Total	**150.05**	**-**	**150.05**	**56.80**	**-**	**56.80**

10 Borrowings

Particulars	As at 31 March 2026			As at 31 March 2025		
	At Amortised Cost (1)	At Fair Value through Profit and Loss (2)	Total (3)=(1)+(2)	At Amortised Cost (4)	At Fair Value through Profit and Loss (5)	Total (6)=(4)+(5)
Other Banks	513.64	-	513.64	329.95	-	329.95
Total	**513.64**	**-**	**513.64**	**329.95**	**-**	**329.95**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

11 Other Liabilities and Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Others	0.72	0.03
Total	**0.72**	**0.03**

12 Other Equity

Particulars	As at 31 March 2026	As at 31 March 2025
Other Equity		
(i) Retained earnings	(12.13)	(15.85)
Total	**(12.13)**	**(15.85)**

Nature and purpose of reserves:

(i) Retained earnings
This reserve represents undistributed accumulated (losses) of IBU as on the balance sheet date.

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

13 Interest Income

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Interest on balances with and dues from banks	0.02	0.14
Interest on advances	26.05	23.91
Interest income from investments	1.21	2.57
Other interest income	0.05	0.02
Total	**27.33**	**26.64**

14 Interest Expense

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Interest on deposits	3.82	1.91
Interest on borrowings	16.07	22.21
Other interest expense	0.01	0.03
Total	**19.90**	**24.15**

15 Net (loss) / gain on fair value changes

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Net (loss) / gain on financial instruments at FVTPL:		
- Investments	-	0.05
- On derivative contracts	(2.72)	3.54
Total	**(2.72)**	**3.59**

16 Other income

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Net gain on Derecognition of financial assets at FVTOCI	0.00	0.04
Foreign exchange gain	0.43	0.08
Total	**0.43**	**0.12**

17 Impairment loss / (gain) on financial instruments

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
On advances	0.86	(10.22)
Total	**0.86**	**(10.22)**

18 Employee benefits*

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Salaries and wages including bonus	0.27	0.29
Others	0.01	0.01
Total	**0.28**	**0.30**

* Gratuity and other employee benefit details are managed centrally, and as this is a Special Purpose Financial Statement, the employee benefit schedule has not been included.

19 Other expenses

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Rent, taxes and energy costs	0.01	0.00
Communication Costs	0.04	0.03
Printing and stationery	0.00	0.00
Auditor’s fees and expenses	0.00	0.00
Legal and Professional charges	0.04	0.01
Insurance	0.00	0.00
Postage, Stamps & Telegram	0.00	0.00
Other expenditure	0.21	0.23
Total	**0.30**	**0.27**

20 Depreciation

Particulars	Year Ended 31 March 2026	Year Ended 31 March 2025
Depreciation- Property	0.00	0.01
Depreciation- Right of Use	0.02	0.02
Total	**0.02**	**0.03**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

21 Summarised classification of assets and liabilities

Particulars	As at 31 March 2026						
		At Fair Value					
	Amortised Cost	Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	Others	Total
	1	2	3	4	(5=2+3+4)	6	(7=1+5+6)
Assets							
Balances with other banks and money at call and short notice	103.03	-	-	-	-	-	103.03
Derivative financial instruments	-	-	0.78	-	0.78	-	0.78
Investments	-	0.49	-	-	0.49	-	0.49
Advances	603.47	-	-	-	-	-	603.47
Property, plant and equipment	-	-	-	-	-	0.01	0.01
Right of Use Assets	-	-	-	-		0.03	0.03
Other assets	0.31	-	-	-	-	0.42	0.74
Total assets	**706.81**	**0.49**	**0.78**	**-**	**1.27**	**0.46**	**708.55**
Liabilities							
Deposits	150.05	-	-	-	-	-	150.05
Borrowings	513.64	-	-	-	-	-	513.64
Derivative financial instruments	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	0.02	0.02
Other liabilities and provisions	-	-	-	-	-	0.72	0.72
Total liabilities	**663.69**	**-**	**-**	**-**	**-**	**0.74**	**664.43**

Particulars	As at 31 March 2025						
		At Fair Value					
	Amortised Cost	Through Other Comprehensive Income	Through Profit And Loss Account	Designated at fair value through profit and loss	Subtotal	Others	Total
	1	2	3	4		6	
Assets							
Balances with other banks and money at call and short notice	18.09	-	-	-	-	-	18.09
Derivative financial instruments	-	-	3.50	-	3.50	-	3.50
Investments	-	0.49	1.69	-	2.18	-	2.18
Advances	401.00	-	-	-	-	-	401.00
Property, plant and equipment	-	-	-	-	-	0.02	0.02
Right of Use Assets	-	-	-	-		0.05	0.05
Other assets	0.31	-	-	-	-	2.07	2.38
Total assets	**419.41**	**0.49**	**5.19**	**-**	**5.68**	**2.13**	**427.22**
Liabilities							
Deposits	56.80	-	-	-	-	-	56.80
Borrowings	329.95	-	-	-	-	-	329.95
Derivative financial instruments	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	0.04	0.04
Other liabilities and provisions	-	-	-	-	-	0.03	0.03
Total liabilities	**386.75**	**-**	**-**	**-**	**-**	**0.07**	**386.82**

Fair Value of financial instruments -

Fair Value Hierarchy

The Bank determines fair values of its financial instruments according to the following hierarchy:

Level 1: Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the Company can access at the measurement date.

Level 2: Valuation based on using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3: Valuation technique with significant unobservable inputs: – financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

Financial assets and liabilities

Quantitative disclosures of fair value measurement hierarchy for financial instruments measured at fair value

As at 31 March 2026	Level 1	Level 2	Level 3	Total
Financial Assets:				
Investments	0.49	-	-	**0.49**
Loans	-	603.47	-	**603.47**
Derivative financial instruments	-	0.78	-	**0.78**
Total	**0.49**	**604.25**	**-**	**604.74**
Financial Liabilities:				
Derivative financial instruments	-	-	-	-
Total	**-**	**-**	**-**	**-**

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Financial Assets:				
Investments	2.18	-	-	**2.18**
Loans	-	401.00	-	**401.00**
Derivative financial instruments	-	3.50	-	**3.50**
Total	**2.18**	**404.50**	**-**	**406.69**
Financial Liabilities:				
Derivative financial instruments	-	-	-	-
Total	**-**	**-**	**-**	**-**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

22 Contingent Liabilities and Commitment

Particulars	As at 31 March 2026	As at 31 March 2025
Guarantees given on behalf of constituents - outside India	-	-
Liability on account of outstanding derivative contracts	23.70	79.05
Others	-	-
Total	**23.70**	**79.05**

FEDERAL BANK Limited, IFSC Banking Unit, GIFT City
Notes to Financial Statements for the year ended 31 March 2026

Currency: USD in million

23. Leases

Information about leases for which the Branch is a lessee is presented below.

i. Right-of-use assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	0.05	0.07
Depreciation charge for the year	(0.02)	(0.02)
Additions during the year	-	-
Balance at the end of the year	**0.03**	**0.05**

ii. Lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	0.04	0.06
Additions during the year	-	-
Interest on lease liabilities	0.00	0.00
Payment of lease liabilities for the year	(0.02)	(0.02)
Balance at the end of the year	**0.02**	**0.04**

iii. Amounts recognised in profit or loss

Particulars	As at 31 March 2026	As at 31 March 2025
Interest on lease liabilities	0.00	0.00
Depreciation on ROU	0.02	0.02

iv. Amounts recognised in statement of cash flows

Particulars	As at 31 March 2026	As at 31 March 2025
Total cash outflow for leases	0.02	0.03

For Suri & Co.
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Head

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August 20, 2026