



CSB Bank

Investor Presentation

Q4 FY 22

Company Overview

Business Overview

Earnings

Digital Penetration

Strategy

Key Information

Improved Profitability

*PAT of Rs 458 Cr -up by 110% YoY

*Operating Profit for FY22 is Rs 614 Cr & up by 19% YoY

*RoA FY22 : 1.91% (up by 92bps YoY)

*RoE FY22 : 21.28% (up by 875bps YoY)

Cost and Revenue

* NII growth of 23% YoY

* NIM at all time high in FY22 : 5.27% (up by 46 bps)

*Non interest income is Rs 247 Cr for FY22

*Commission income increased by 44% YoY

Growth Momentum

*Net Advances grew by 9.5% YoY

*Deposits grew by 5.4% YoY

*CASA book grew by 10.2% YoY & CASA Ratio stood at 34%

* Healthy CD Ratio (Gross) : 83% as on 31-03-2022

* Digital Penetration increases to 87%

Well Capitalised & Strong Liquidity Position

*Strong capital comfort with a CRAR of 25.90% as on 31.03.2022

*Tier I ratio of 24.35%

*Book value per share up by 23% YoY (Rs 117 to Rs 144)

*Strong liquidity -LCR of 154% & NSFR at 157%

Asset Quality

*GNPA ratio of 1.81% (down by 87bps)

*Net NPA ratio of 0.68% (down by 49bps)

*PCR of 90% (up by 476bps)

*Credit cost for FY22 : (-)0.07% & for FY 21 : 0.85%

- A century young Organisation
- 603 Branches & 465 ATMs/CRMs
- 10 Zonal Offices
- 2.1Mn+ happy customers
- Presence in 16 states & 4 UTs
- Total business of approx Rs 37000 Cr
- 7 bancassurance tie ups with industry leaders.

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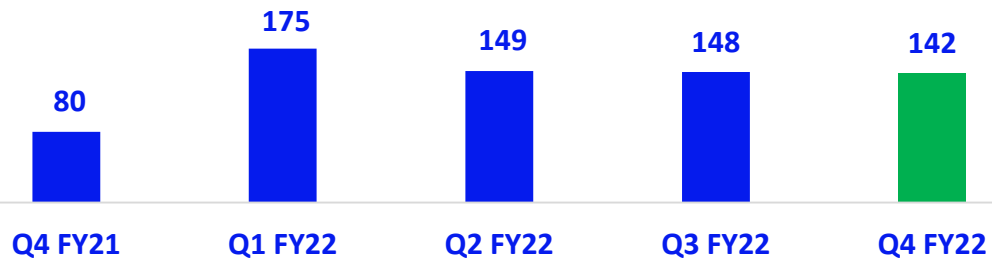
Digital Penetration

Strategy

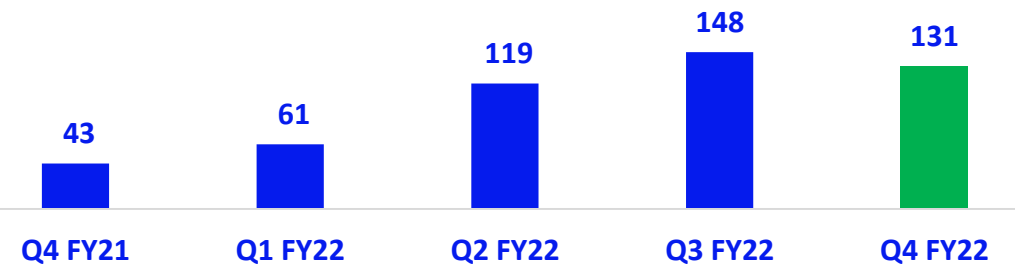
Profitability Ratios

Amt in Cr

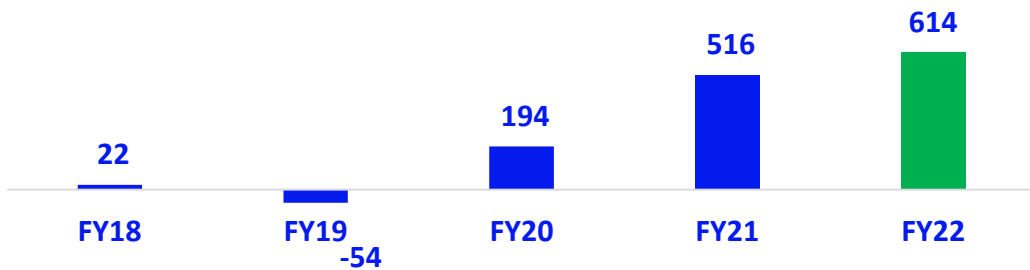
Operating Profit QoQ



Net Profit QoQ



Operating Profit YoY



Net Profit YoY



Prudential Provisioning Policy

	Asset Classification	RBI Norms	Our Norms
NPA Provision	Sub Standard Assets	Secured	15%
		Unsecured	25%
	Doubtful Assets (Up to one year)	Secured	25%
		Unsecured	100%
	Doubtful Assets (One to three years)	Secured	40%
		Unsecured	100%
	Doubtful Assets (More than three years)	Secured/Unsecured	100%
		Secured/Unsecured	100%

Prudential Provisions	Amount (in Cr)
NPA Provision	108
Additional Std asset provision	107
Total	215
Tax	54
After Tax Impact	161

Additional Std asset provision is more or less equal to Net NPA

	RBI Norms	Accounting Treatment
Other Provisions	Provisions for Standard Asset	<ul style="list-style-type: none"> • 0.25% to 1% based on the nature of advance • Provided as per RBI Norms • Additional provisioning buffer created in view of the COVID scenario

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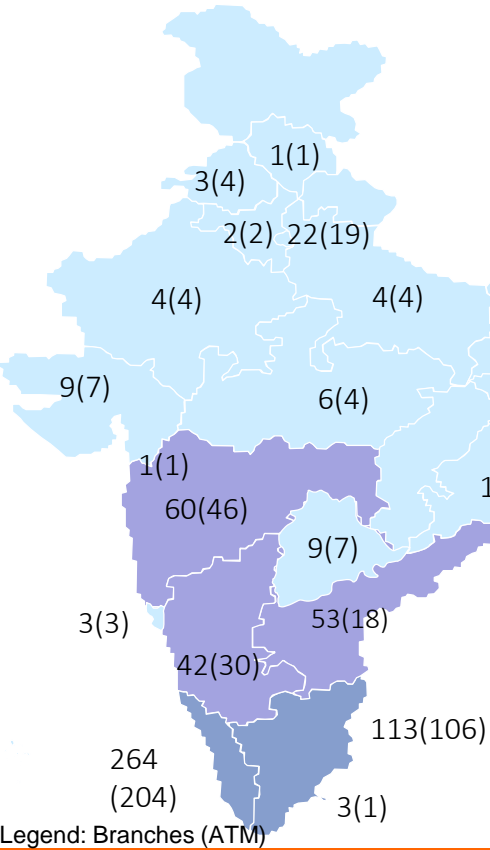
Digital Penetration

Strategy

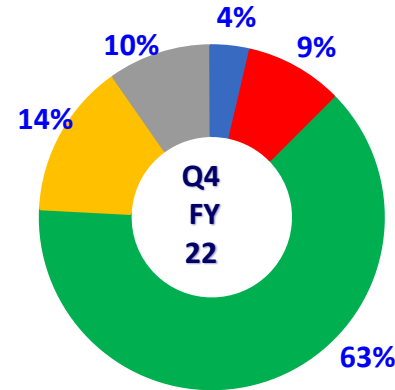
Branch Distribution

State	% distribution	
	Mar-21	Mar-22
KERALA	53%	44%
TAMIL NADU	16%	19%
MAHARASHTRA	9%	10%
ANDHRA	6%	9%
KARNATAKA	6%	7%
OTHERS	10%	11%

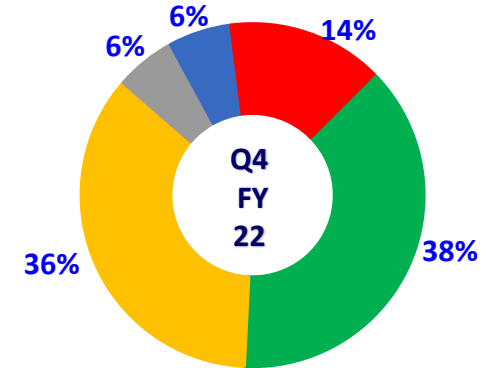
Population	No of Branches	
	Mar-21	Mar-22
Metropolitan	98	123
Urban	109	121
Semi-urban	257	309
Rural	48	50
Grand Total	512	603



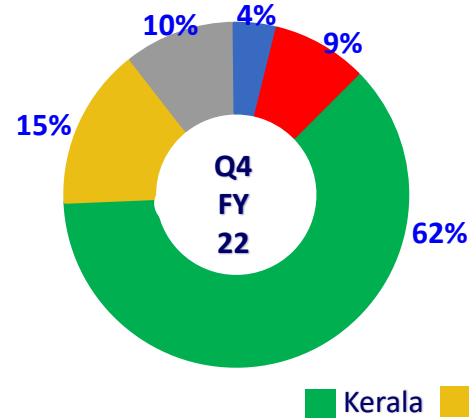
CASA



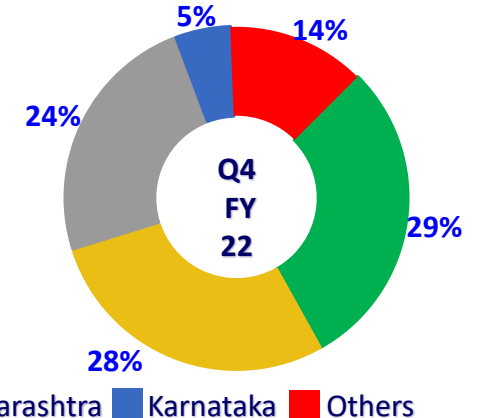
Gold Loans



Total Deposits

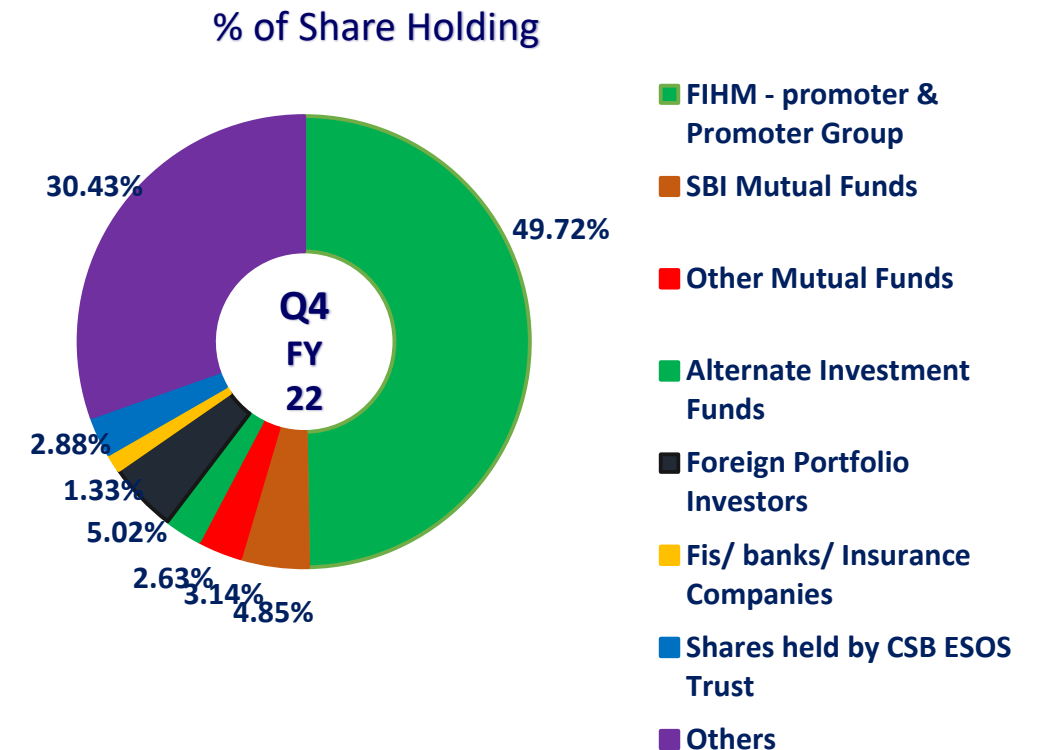


Total Advances



Share Holding Pattern

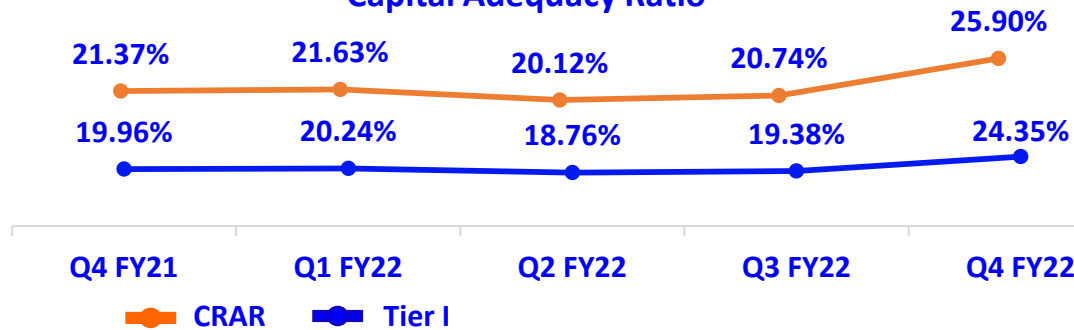
Category	No of Shareholders	No of Shares Held(in Mio)	% of Holding
FIHM - promoter & Promoter Group	1	86.26	49.72%
SBI Mutual Funds	1	8.42	4.85%
Other Mutual Funds	7	5.44	3.14%
Alternate Investment Funds	5	4.57	2.63%
Foreign Portfolio Investors	36	8.72	5.02%
Fis/ banks/ Insurance Companies	2	2.3	1.33%
Shares held by CSB ESOS Trust	1	5	2.88%
Others	54182	52.77	30.43%
Total	54235	173.48	100.00%



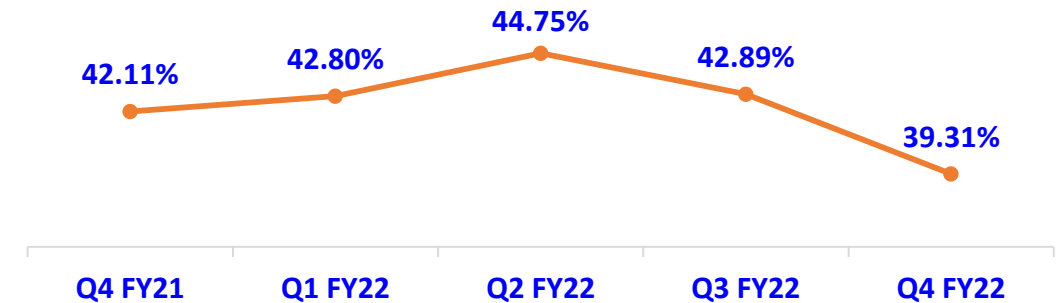
Solid CRAR & Adequate Liquidity – Our Strength

Amt in Cr

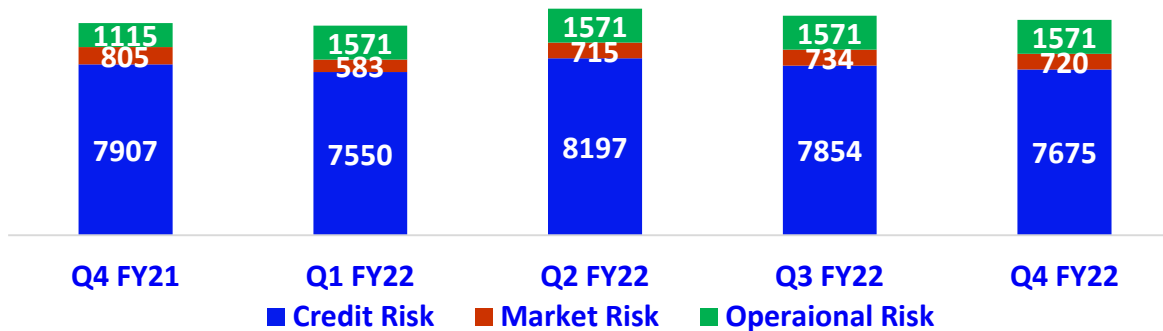
Capital Adequacy Ratio



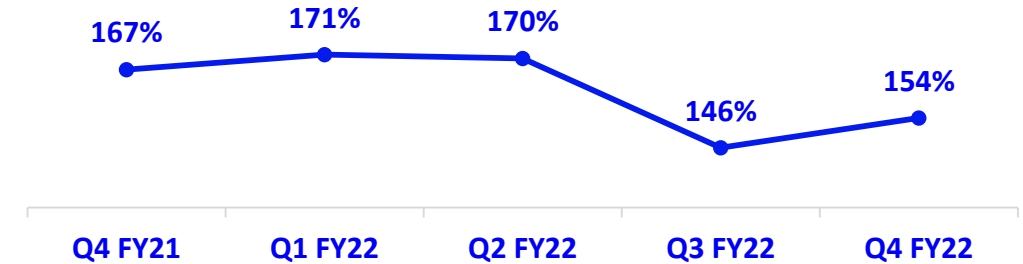
RWA to Total Assets



Risk Weighted Assets



Liquidity Coverage Ratio



Company Overview

Business Overview

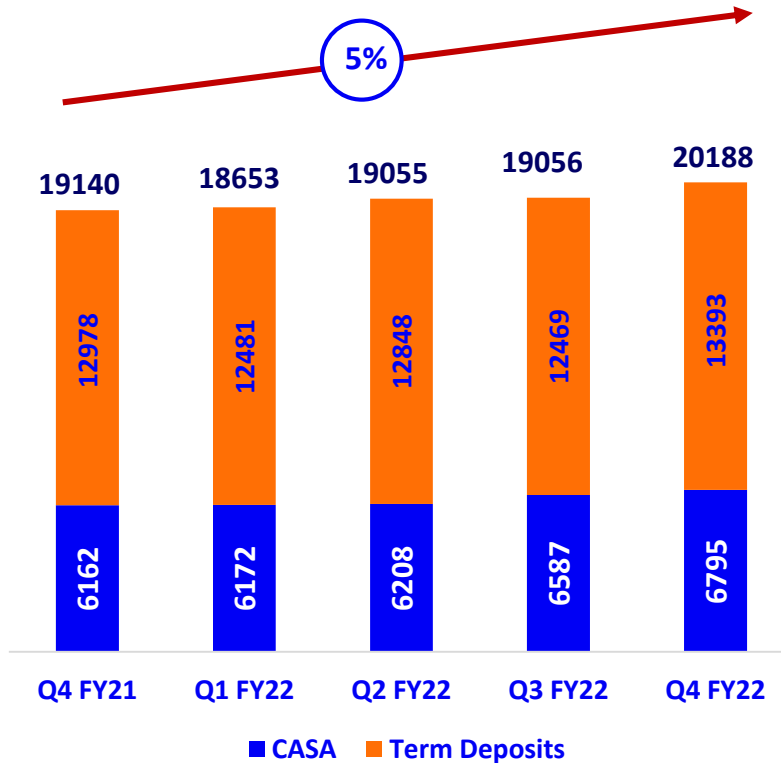
Earnings

Digital Penetration

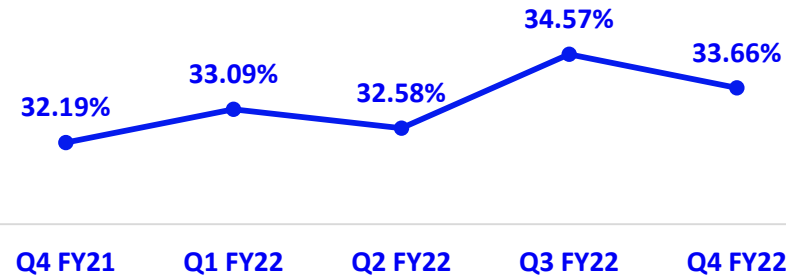
Strategy

Total Deposits

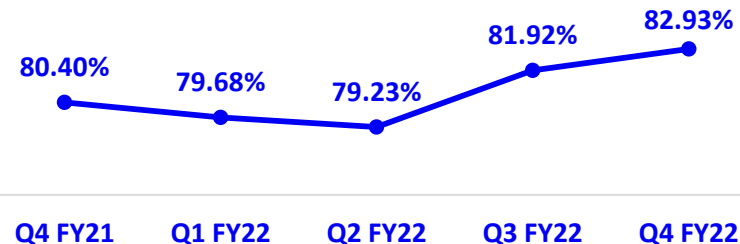
(Amt in Cr)



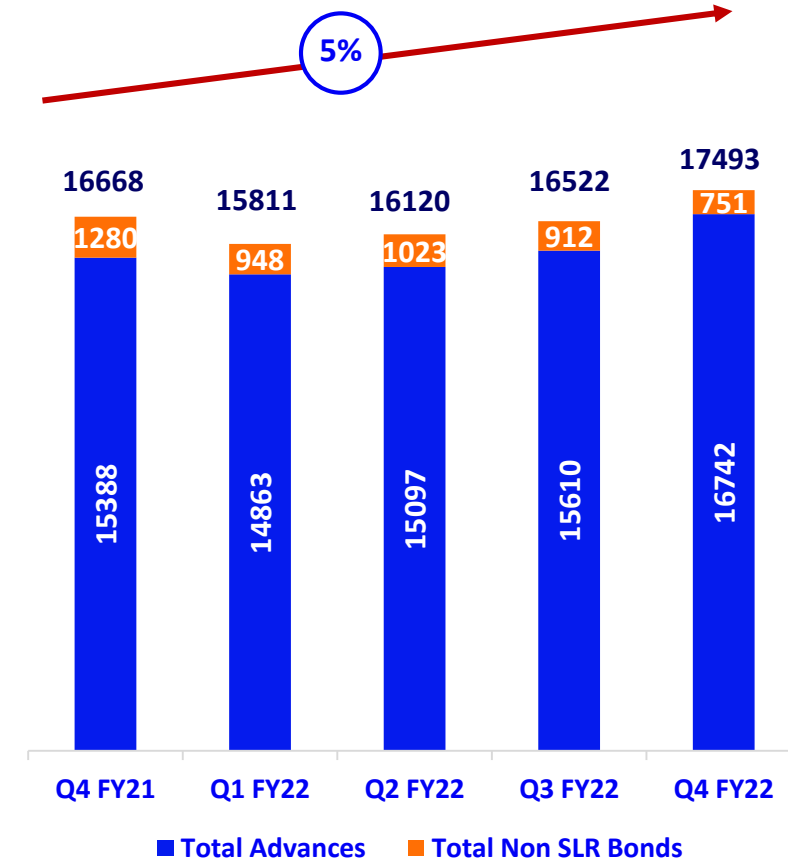
CASA Ratio



Gross CD Ratio



Total Gross Advances + Non SLR Bonds (Amt in Cr)



Company Overview

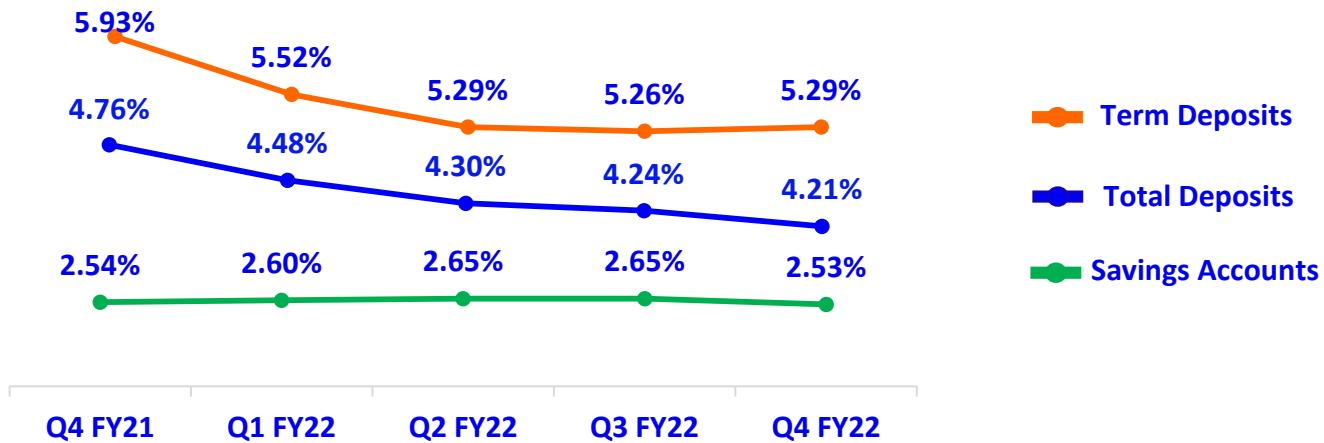
Business Overview

Earnings

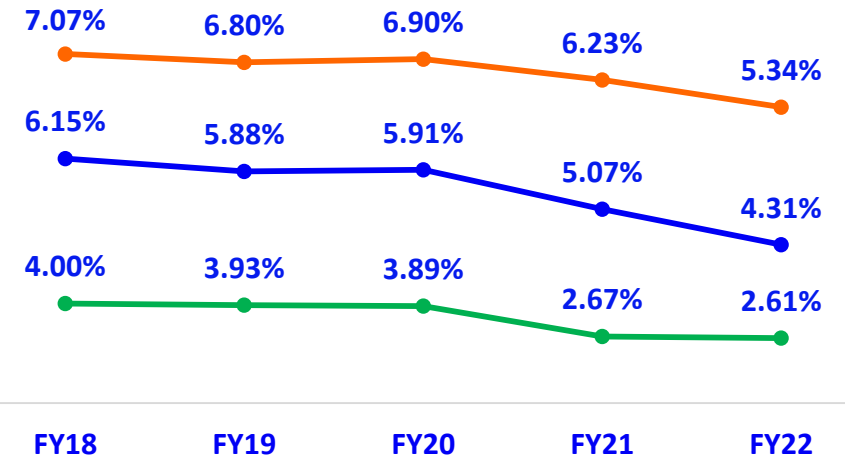
Digital Penetration

Strategy

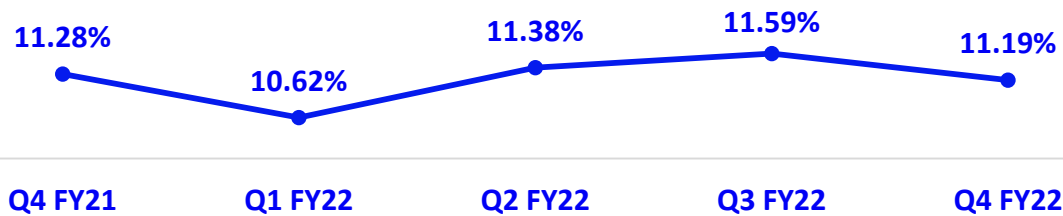
Cost of Deposits (QoQ)



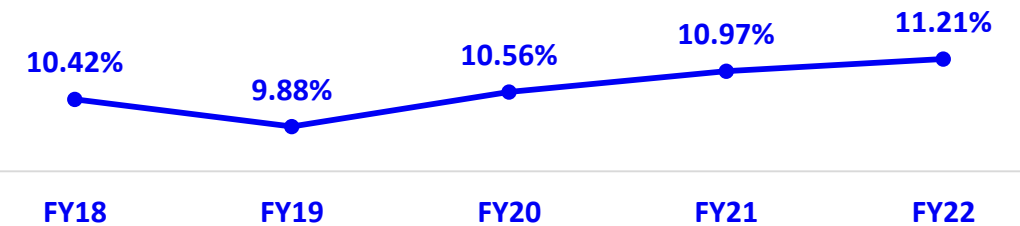
Cost of Deposits (YoY)



Yield on Advances (QoQ)



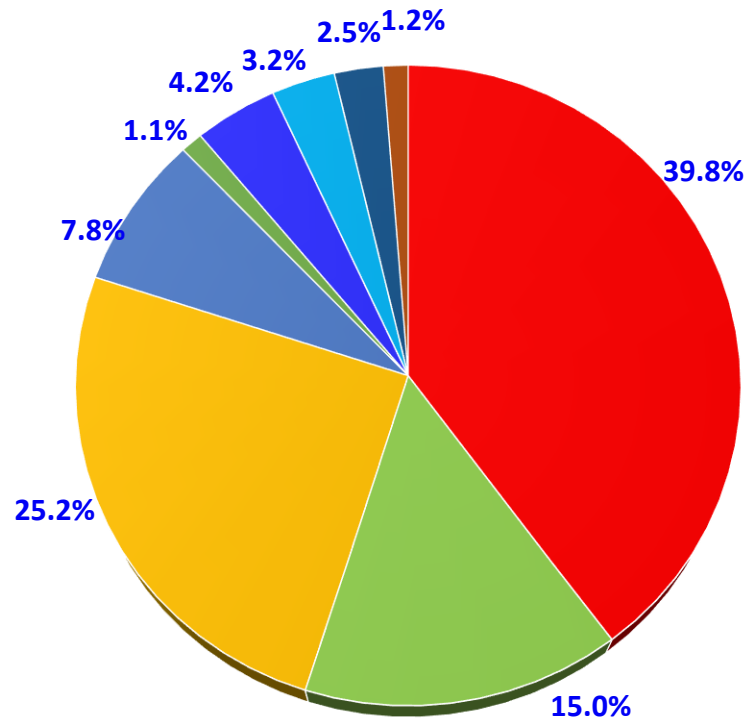
Yield on Advances (YoY)



Advance Mix

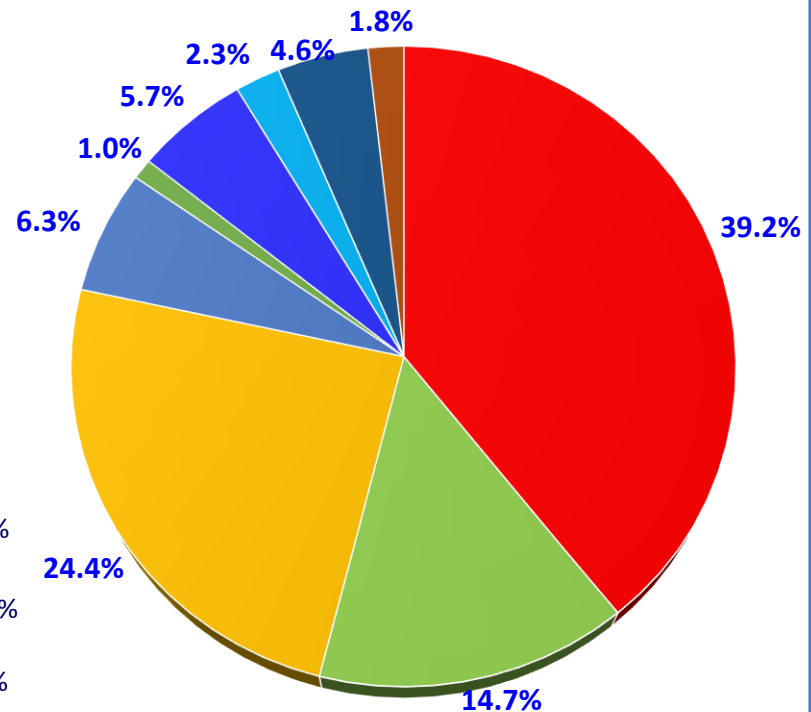
(Amt in Cr)

FY 21



Retail Loans includes 44% LAP, 22% HL, 7% EL, 4% VL & 22% others

FY 22



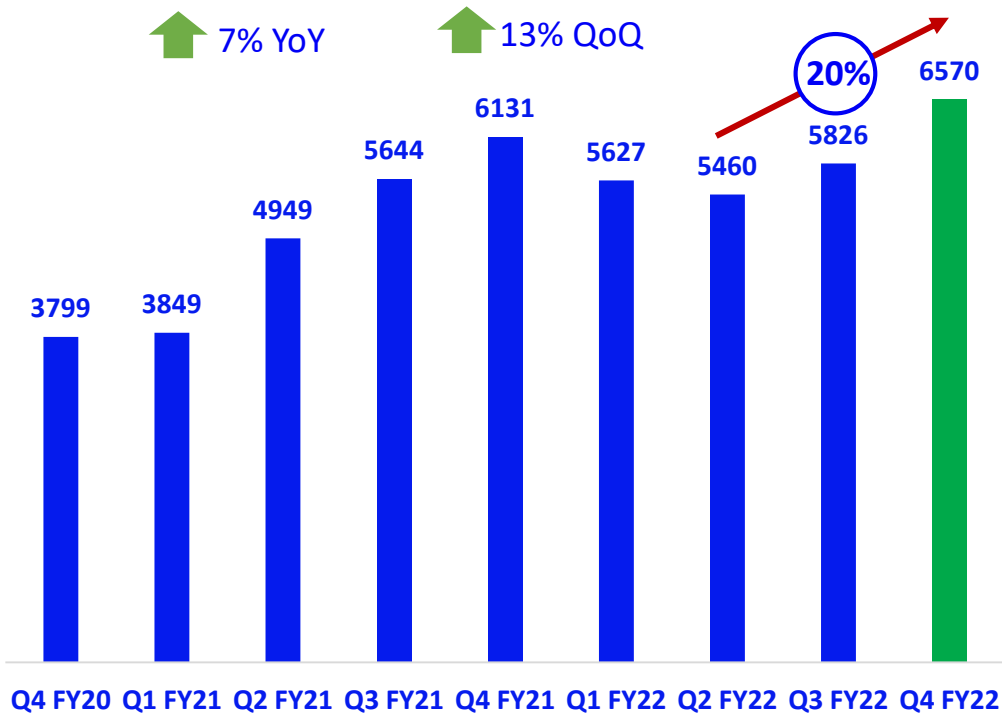
83% of Assignments loans are gold DA, Retail Loans includes 44% LAP, 21% HL, 6% EL, 3% VL & 27% others

6131	Gold Loans	6570	↑ 7.2%
2308	SME Loans	2463	↑ 6.7%
3873	Corporate Loans	4089	↑ 5.6%
1201	Retail Loans	1049	↓ 12.7%
171	Two Wheeler Loans	175	↑ 2.3%
645	Assignment Loans	954	↑ 47.9%
492	LCBD & TReDS	378	↓ 23.2%
378	Agri Loans	765	↑ 102.7%
190	MFI Loans	300	↑ 57.9%

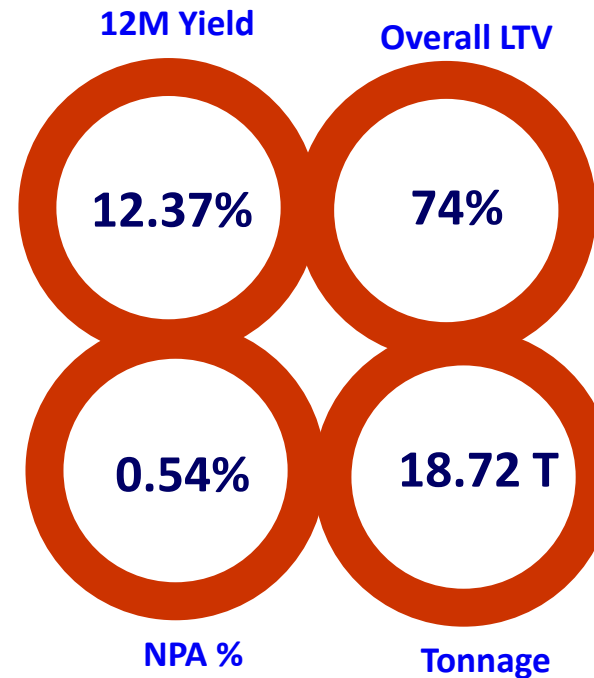
Gold Loan – Our DNA

(Amt in Cr)

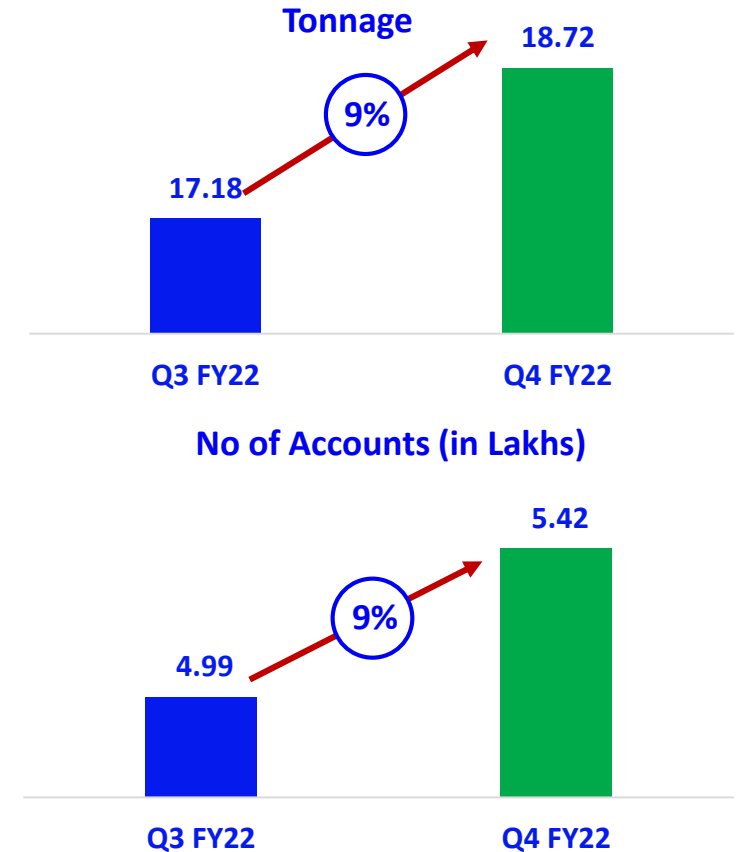
Portfolio Movements



Portfolio Quality



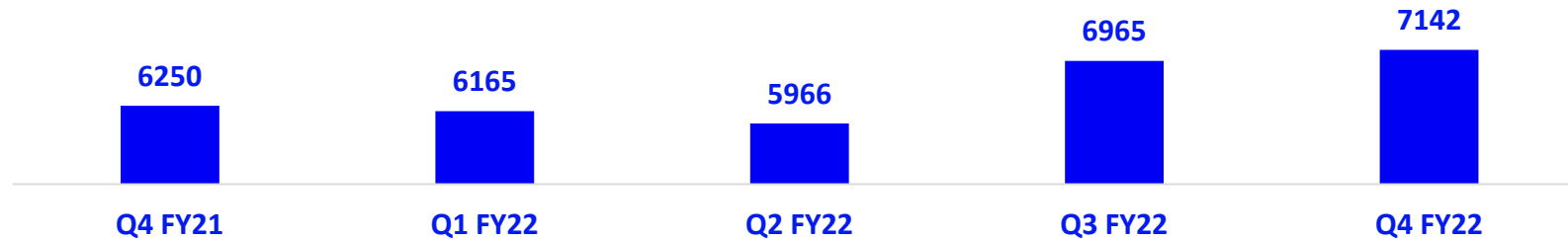
Tonnage



Investments

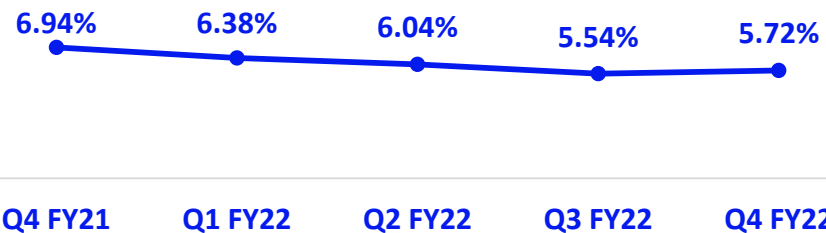
(Amt in Cr)

Total Investments

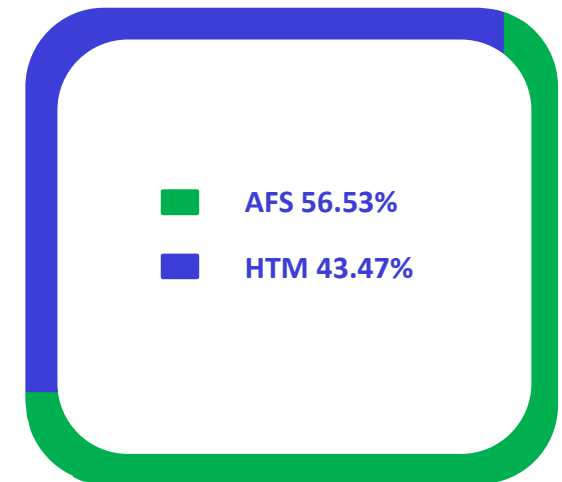
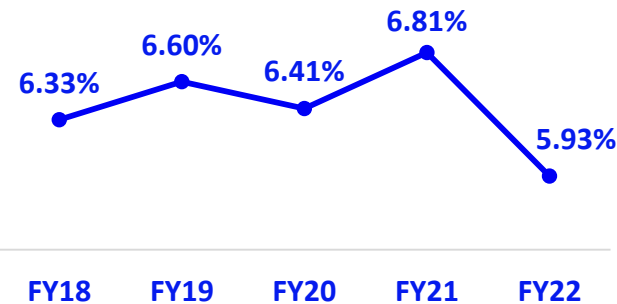


Yield on Investments

QoQ



YoY

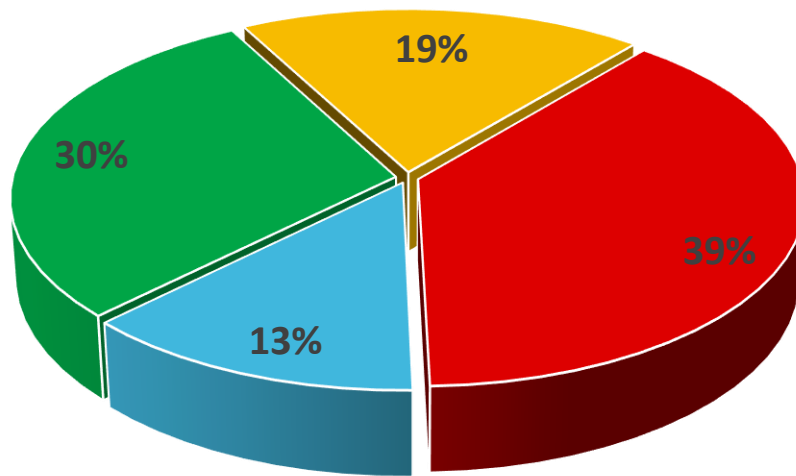


M Duration

HFT	AFS	HTM	Total
0.00%	0.65%	6.06%	3.85%

Sector Wise Exposure

Sector Wise Exposure



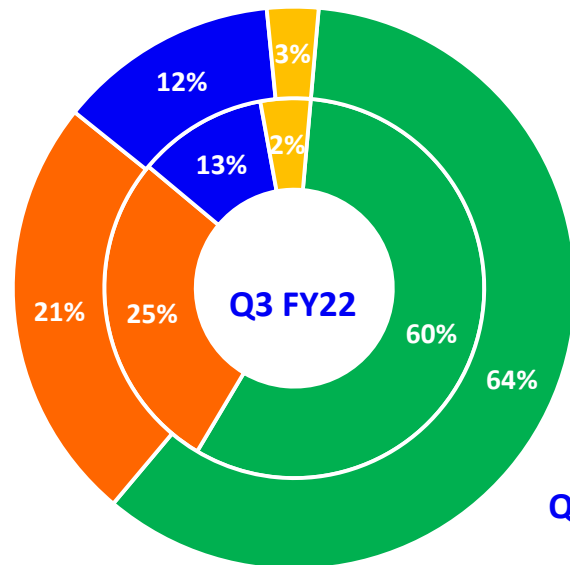
- Agriculture and Allied Activities
- Industry
- Services
- Retail & Others

Industries	% to Gross advances
Textiles	5.95%
Construction	4.45%
Infrastructure	3.91%
Food Processing	3.83%
Chemicals and Chemical Products (Dyes, Paints, etc	0.76%
All Engineering	0.72%
Vehicles, Vehicle Parts and Transport Equipments	0.59%
Paper and Paper Products	0.22%
Gems and Jewellery	0.21%
Basic Metal and Metal Products	0.17%
Rubber, Plastic and their Products	0.16%
Wood and Wood Products	0.16%
Beverages (excluding Tea & Coffee) and Tobacco	0.13%
Cement and Cement Products	0.05%
Leather and Leather products	0.05%
Mining and Quarrying	0.05%
Other Industries	0.54%

Services	% to Gross advances
NBFCs	8.08%
HFC	3.63%
Wholesale & Retail Trade	3.93%
Tourism, Hotel and Restaurants	2.46%
Commercial Real Estate	1.68%
Computer Software	0.33%
Transport Operators	0.27%
Professional Services	0.12%
Other Services	8.95%

Rating wise Exposure

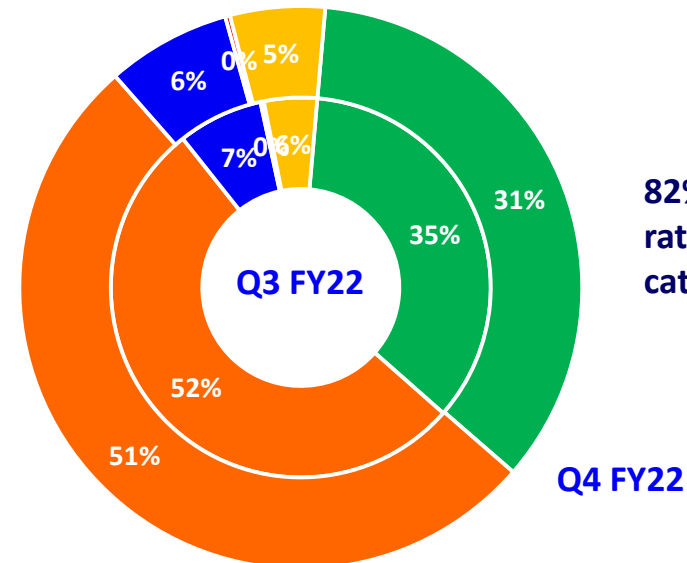
External Rating of Corporate Accounts (>Rs 25Cr)



97% of Corporate advances are externally rated of which 64% are having A & above rating.

■ A & Above ■ BBB ■ <BBB ■ Others

Internal Rating of SME accounts



82% of SME advances are rated as Low/Medium risk categories

■ Low ■ Medium ■ High ■ Very High ■ Others

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Profit & Loss Account - Q4 FY 22

Amt in Cr

	Q3FY22	Q4FY22	QoQ	Q4FY21	YoY		Q3FY22	Q4FY22	QoQ	Q4FY21	YoY
Interest Income	527.6	519.6	-2%	497.1	5%	Operating Profit	147.6	142.1	-4%	80.4	77%
Interest Expense	224.3	215.7	-4%	221.4	-3%	Provision for NPA	-51.6	-37.3	-	59.8	-
Net Interest Income	303.3	303.8	0%	275.7	10%	Other Provisions	1.0	3.2	220%	-37.4	-
Treasury Profit	1.5	-1.2	-	-16.2	-	Total Provisions	-50.6	-34.1	-	22.4	-
Exchange Profit	2.0	2.1	3%	0.9	133%	Profit Before Tax	198.2	176.3	-11%	58.0	204%
Processing Fees	11.3	10.3	-9%	18.2	-44%	Tax	49.9	45.5	-9%	15.1	201%
Commission Income	22.0	22.6	3%	17.6	28%	Profit/Loss (-) After Tax	148.3	130.7	-12%	42.9	205%
PSLC Income	-	-	-	14.3	-100%						
Other Income	15.4	29.9	95%	29.0	3%						
Total Non Interest Income	52.2	63.6	22%	63.8	0%						
Total Net Operating Income	355.5	367.4	3%	339.5	8%						
Staff Cost	122.1	143.4	17%	178.6	-20%						
Other Opex	85.9	82.0	-5%	80.4	3%						
Total Opex	207.9	225.4	8%	259.1	-13%						
Operating Profit	147.6	142.1	-4%	80.4	77%						

- ❖ Net Interest Income grows 10% YoY
- ❖ Commission income up by 3% QoQ & 28% YoY – backed by increase in Bancassurance income & LC/BG commission
- ❖ Opex down by 13% YoY
- ❖ Operating profit up by 77% aided by improved income & reduced cost
- ❖ PBT grows by 204% YoY mainly due to improved operating profit & better recovery performance
- ❖ Q4 PAT is at Rs 131 Cr

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Profit & Loss Account - FY 22

Amt in Cr

	FY 21	FY 22	YoY	YoY%
Interest Income	1,872.3	2,038.3	166.0	9%
Interest Expense	930.9	885.0	-45.9	-5%
Net Interest Income	941.4	1,153.3	211.9	23%
Treasury Profit	102.0	11.5	-90.5	-89%
Exchange Profit	5.2	8.8	3.5	69%
Processing Fees	54.4	47.4	-7.0	-13%
Commission Income	49.8	71.5	21.8	44%
PSLC Income	30.6	33.4	2.9	9%
Other Income	61.2	74.1	13.0	21%
Total Non Interest Income	303.1	246.8	-56.4	-19%
Total Net Operating Income	1,244.6	1,400.1	155.5	12%
Staff Cost	496.2	481.9	-14.5	-3%
Other Opex	232.8	304.5	71.7	31%
Total Opex	729.0	786.4	57.3	8%
Operating Profit	515.5	613.7	98.0	19%

	FY 21	FY 22	YoY	YoY%
Operating Profit	515.6	613.7	98.0	19%
Provision for NPA	106.8	-9.8	-116.6	-
Other Provisions	116.1	9.3	-106.9	-92%
Total Provisions	223.0	-0.5	-223.5	-
Profit Before Tax	292.6	614.4	321.8	110%
Tax	74.2	155.7	81.5	110%
Profit/Loss (-) After Tax	218.4	458.5	240.1	110%

- ❖ Net Interest Income grows 23% YoY
- ❖ Commission income up by 44% YoY – backed by increase in Bancassurance income & LC/BG commission
- ❖ Staff cost down by 3% YoY
- ❖ Operating profit up by 19% YoY despite drying up of treasury income.
- ❖ PBT grows by 110% YoY due to improved operating profit & better recovery performance
- ❖ FY22 PAT is at a record level of Rs 458 Cr

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Balance Sheet – FY 22

Amt in Cr

31.03.2021

31.03.2022

YoY (%)

31.12.2021

QoQ (%)

Liabilities

Capital	173.5	173.5	0.0%	173.5	0.0%
Reserves & Surplus	2,006.7	2,477.9	23.5%	2,360.7	5.0%
Deposits	19,140.0	20,188.3	5.5%	19,056.0	5.9%
Of Which CASA	6,161.8	6,795.2	10.3%	6,587.2	3.2%
Borrowings	1,425.9	2,007.2	40.8%	1,692.1	18.6%
Other Liabilities & Provisions	591.2	509.4	-13.8%	421.0	21.0%
Total	23,337.4	25,356.3	8.65%	23,703.4	6.97%

Assets

Cash & Balance with RBI	736.1	948.2	28.8%	822.7	15.3%
Balance with Banks Money at call & Short Notice	977.9	625.5	-36.0%	291.0	114.9%
Investments	6,126.0	7,011.6	14.5%	6,842.8	2.5%
Advances	14,438.1	15,814.7	9.5%	14,637.0	8.0%
Fixed Assets	269.5	287.9	6.8%	281.1	2.4%
Other Assets	789.7	668.4	-15.4%	828.8	-19.4%
Total	23,337.4	25,356.3	8.65%	23,703.4	6.97%

Asset Quality

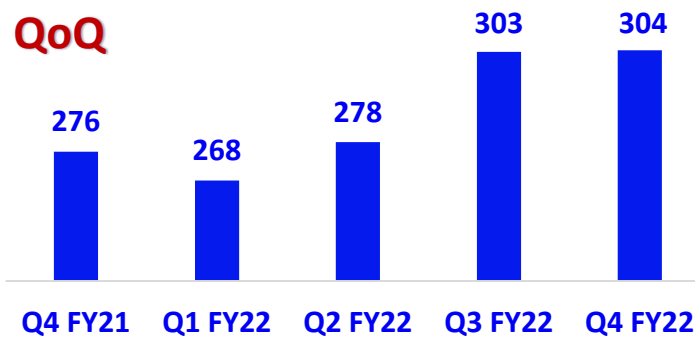
Amt in Cr

Gross NPA: Movement	QoQ movement					YoY movement	
	Q4 FY21 (3 months)	Q1 FY22 (3 months)	Q2 FY22 (3 months)	Q3 FY22 (3 months)	Q4 FY22 (3 months)	FY21 (12 months)	FY22 (12 months)
Opening Balance of Gross NPA	235	393	686	587	389	409	393
Additions	188	435	205	81	38	192	119
Sub-total (A)	423	829	892	668	427	602	512
Less:-							
(i) Upgradations	2	20	96	72	36	12	46
(ii) Recoveries	26	36	190	206	98	69	82
(iii) Technical/ Prudential Write-offs	0	86	19	-	0	117	90
(iv) Write-offs	2	-	1	1	3	11	4
Sub-total (B)	29	142	305	279	137	209	222
Closing balance of Gross NPA (A – B)	393	686	587	389	290	393	290

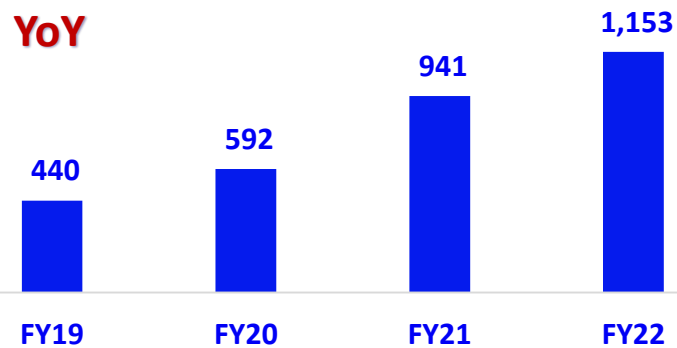
Profitability Ratios

Net Interest Income (in Cr)

QoQ

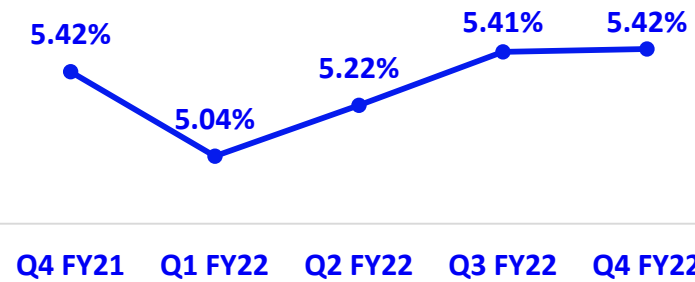


YoY

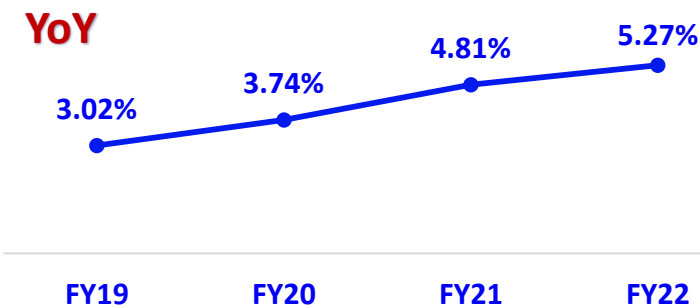


NIM

QoQ



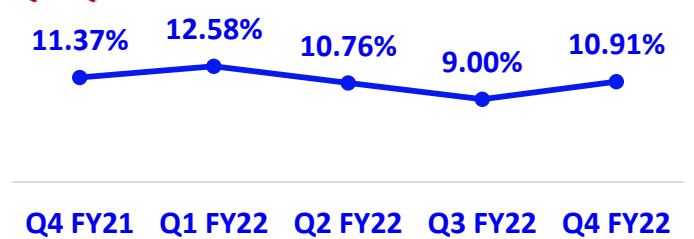
YoY



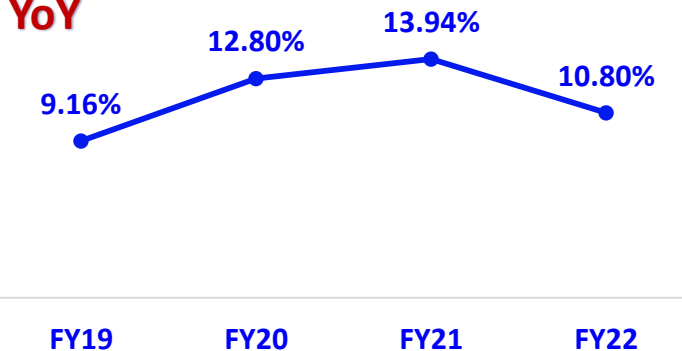
*NIM = NII/Avg interest earning assets

Non interest Income to Total Income

QoQ



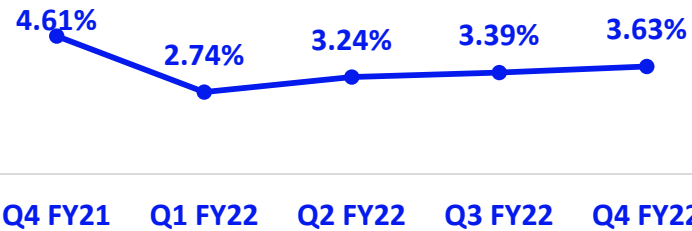
YoY



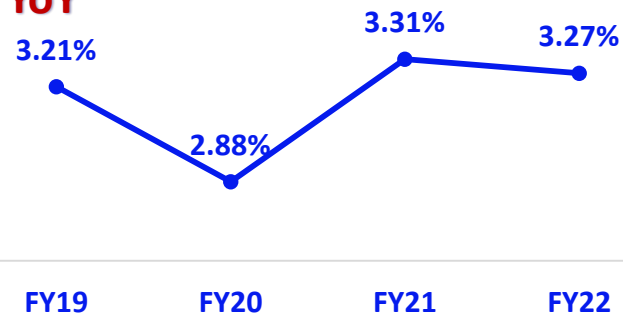
Profitability Ratios

Opex to Average assets

QoQ

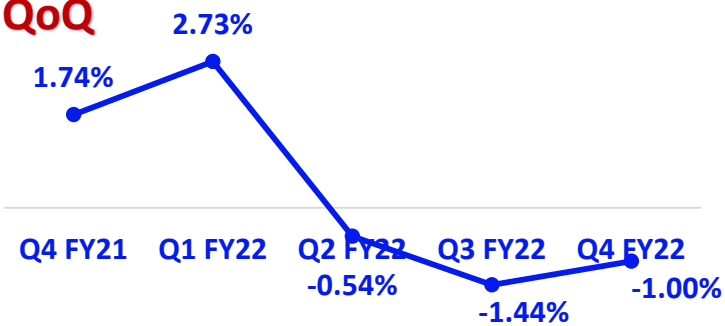


YoY

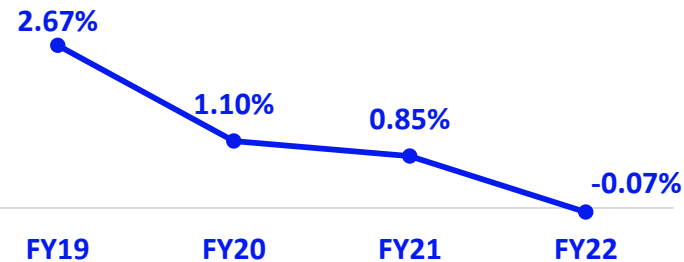


Credit Cost

QoQ

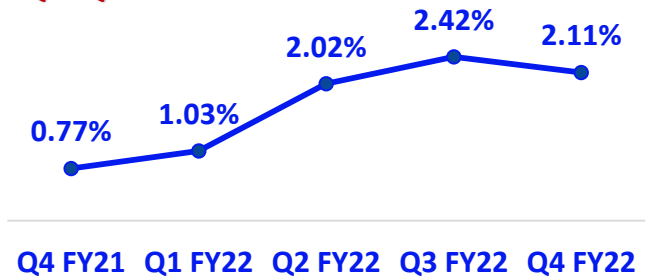


YoY

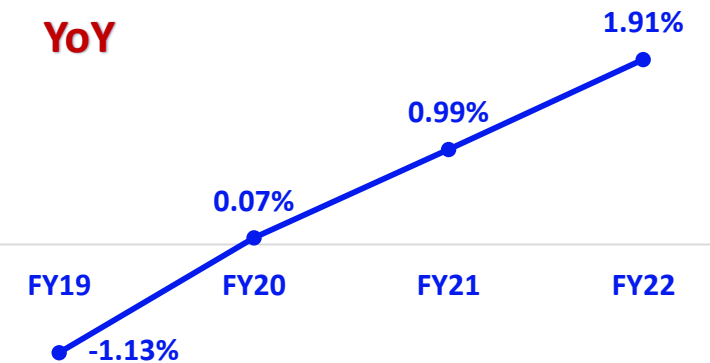


RoA

QoQ



YoY



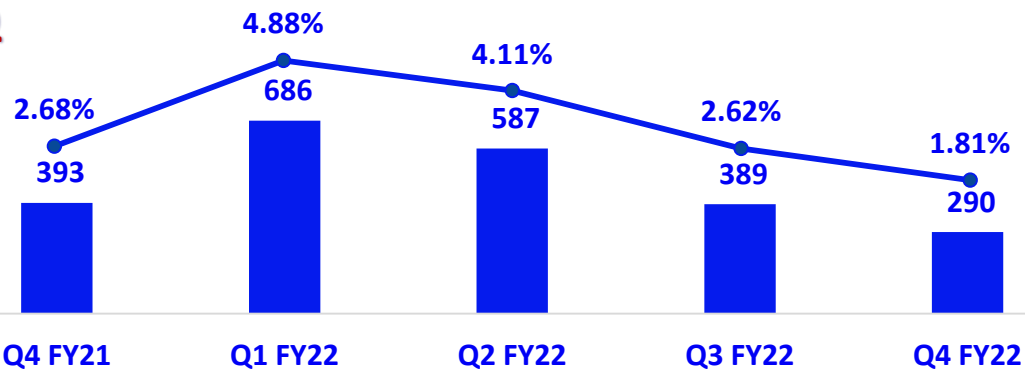
Asset Quality Ratios

Amt in Cr

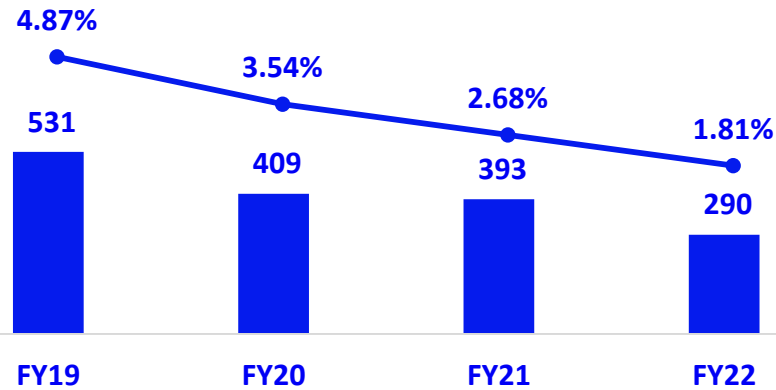
■ Gross NPA

— Gross NPA %

QoQ



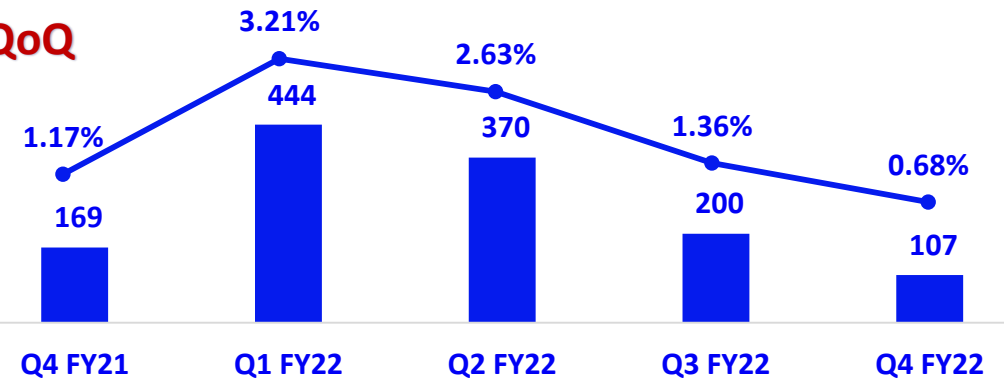
YoY



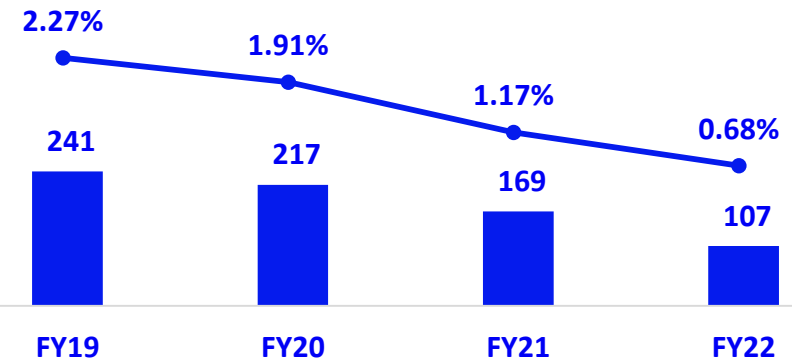
■ Net NPA

— Net NPA %

QoQ



YoY



Company
Overview

Business
Overview

Earnings

Digital
Penetration

Strategy

Asset Quality Ratios

Amt in Cr

Provision Coverage Ratio

QoQ

84.89% 70.20% 73.48% 82.95% 89.65%

Q4 FY21 Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22

YoY

78.16% 80.02% 84.89% 89.65%

FY19 FY20 FY21 FY22

Slippage Ratio

QoQ

5.76% 12.20% 6.15% 2.37% 1.05%

Q4 FY21 Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22

YoY

2.21% 1.75% 1.72% 0.83%

FY19 FY20 FY21 FY22

Recovery Rate

QoQ

11.65% 14.25% 41.52% 47.41% 34.45%

Q4 FY21 Q1 FY22 Q2 FY22 Q3 FY22 Q4 FY22

YoY

17.14% 19.73% 19.80% 32.57%

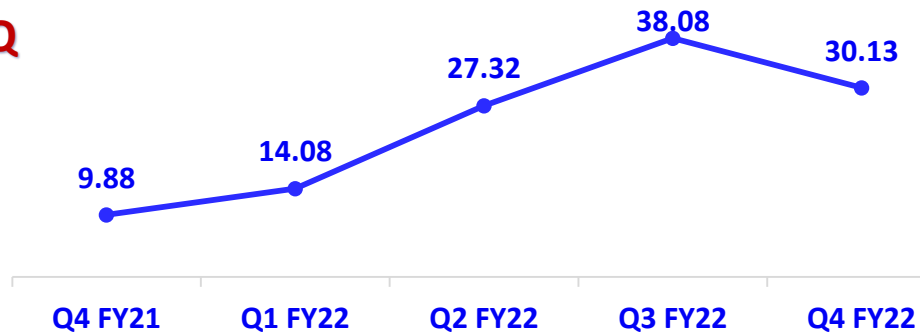
FY19 FY20 FY21 FY22

Share Holders Return & Risk Ratios

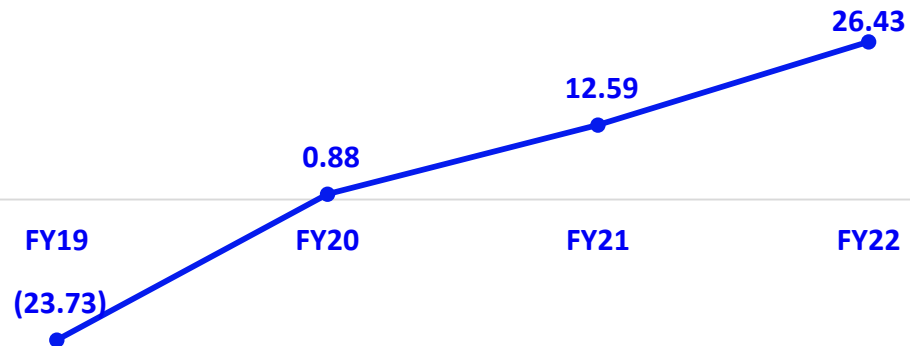
EPS

(in Rs)

QoQ

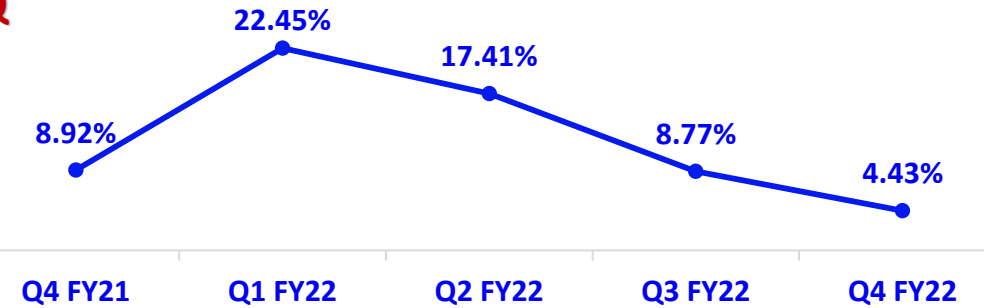


YoY

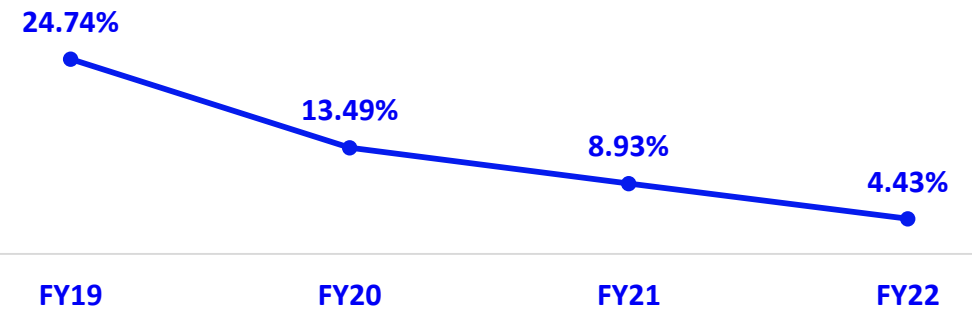


Net NPA to Networth

QoQ



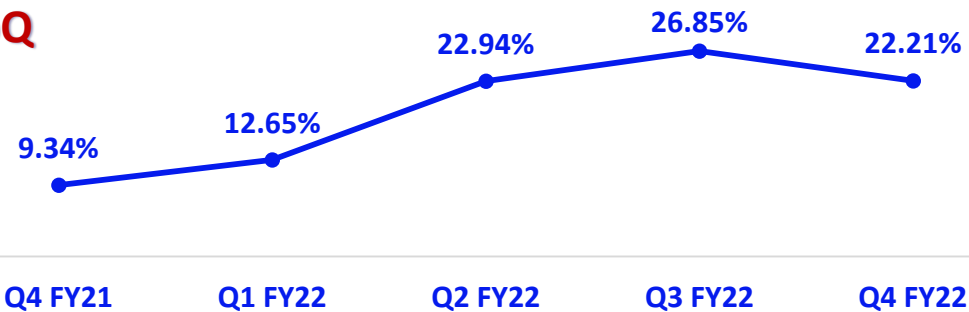
YoY



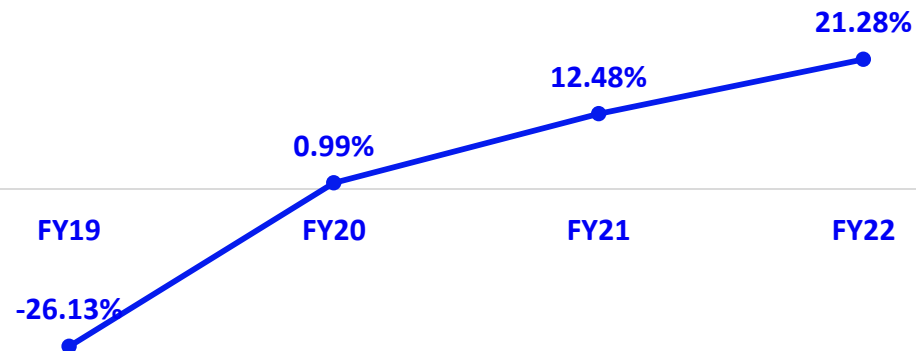
Share Holders Return & Risk Ratios

RoE

QoQ



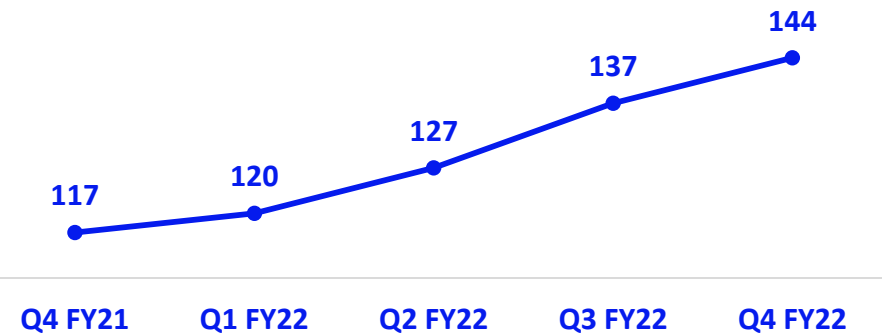
YoY



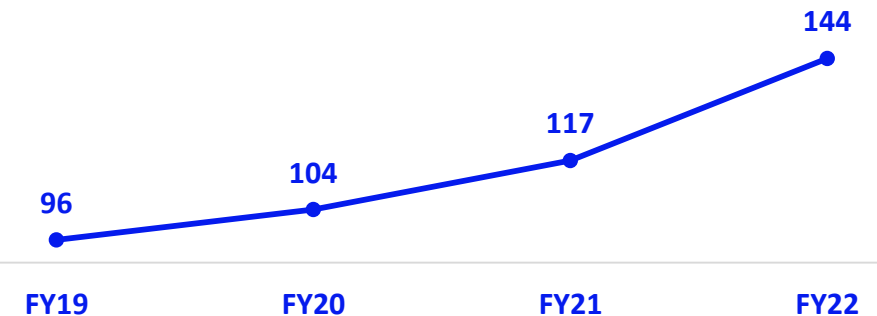
Book Value per Share

(in Rs)

QoQ



YoY

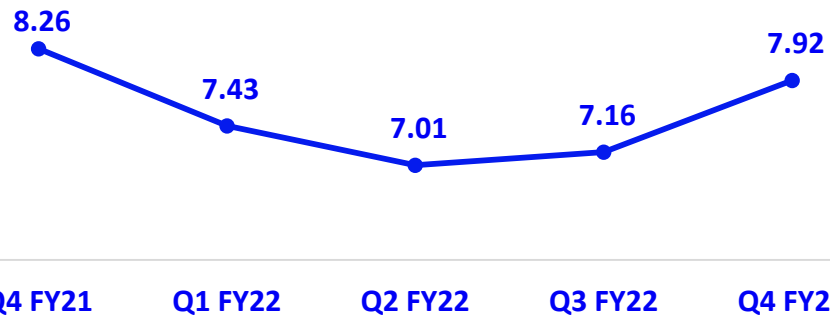


Efficiency Ratios

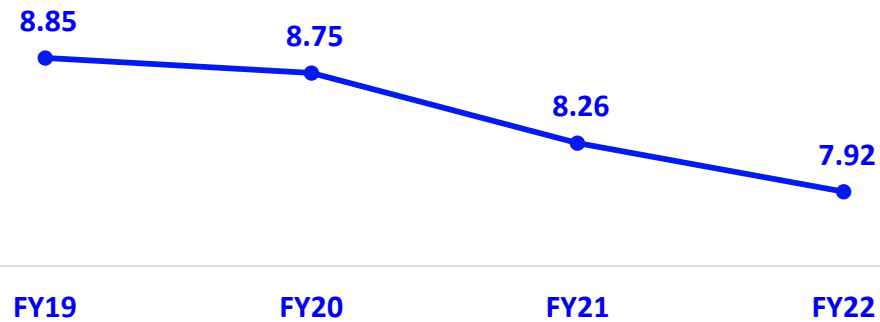
Business per Employee

(In Cr)

QoQ



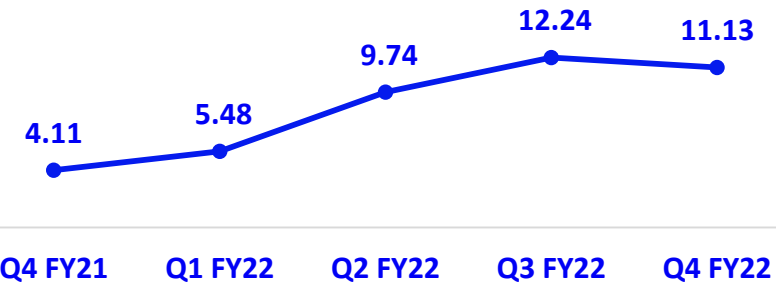
YoY



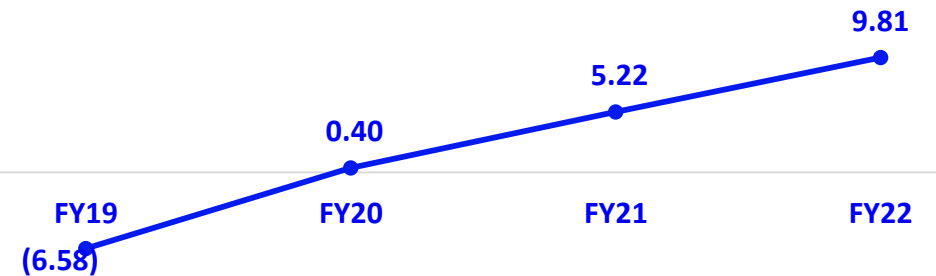
Profit per Employee

(in Lakhs)

QoQ



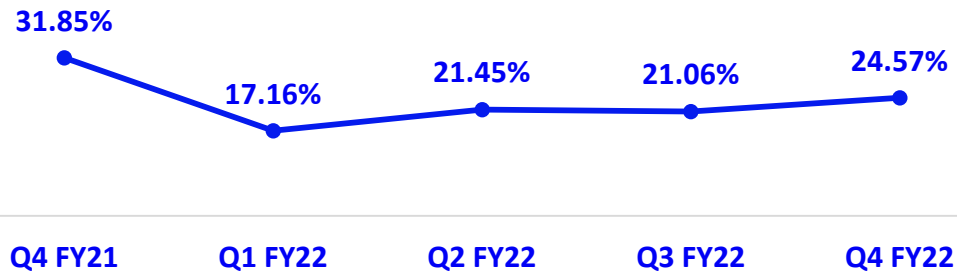
YoY



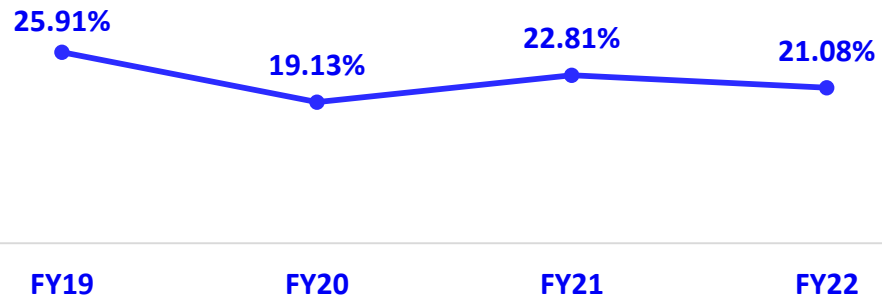
Efficiency Ratios

Staff Cost to Total Income

QoQ

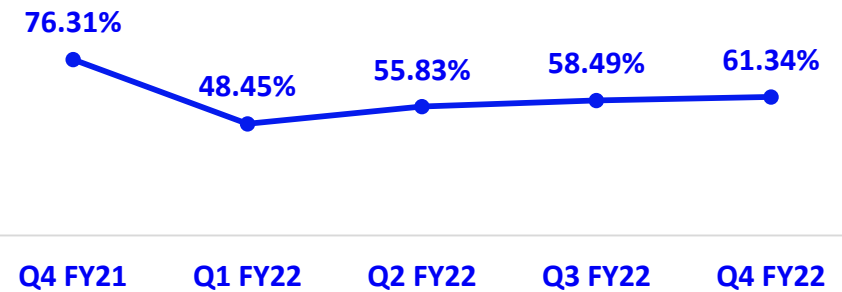


YoY

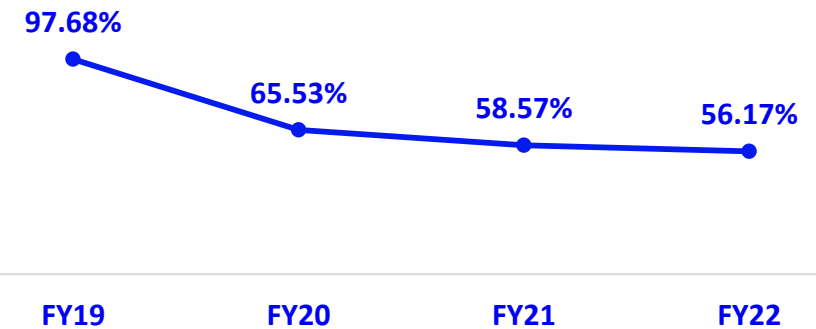


Cost to Income Ratio

QoQ



YoY



Company
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Digital Touch Points



1,506 Installations



5.88 lacs + Debit Cards



3.40 lacs+ Net
Banking users



465 ATM
Network



3,835+ QR
Installations



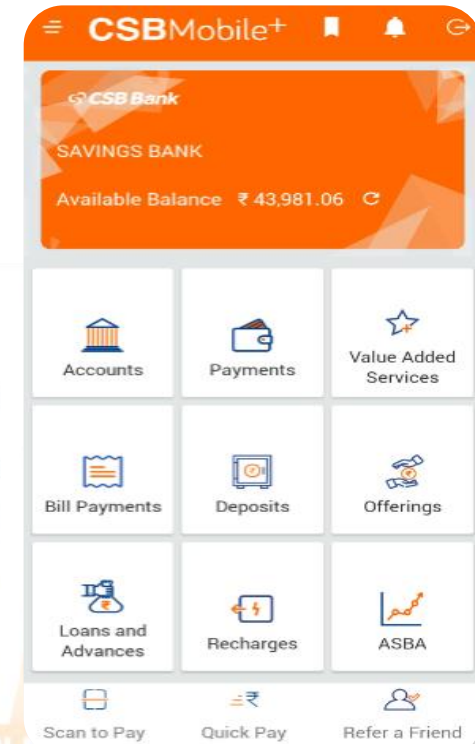
82,130+ ePassbook
Downloads



78,660+Prepaid
Cards



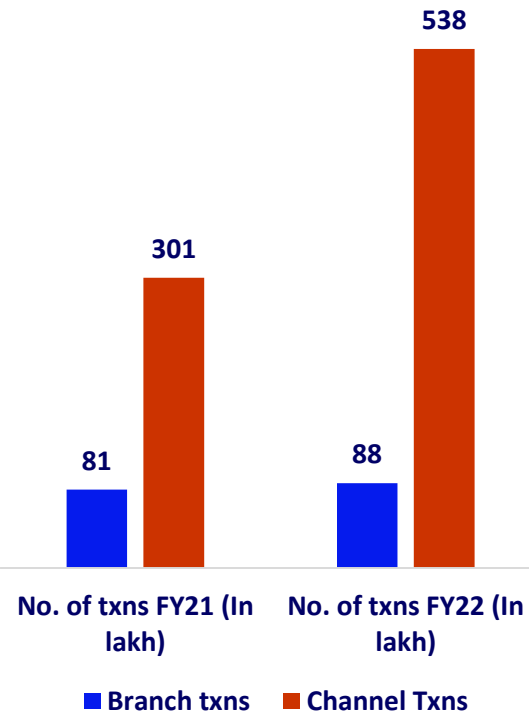
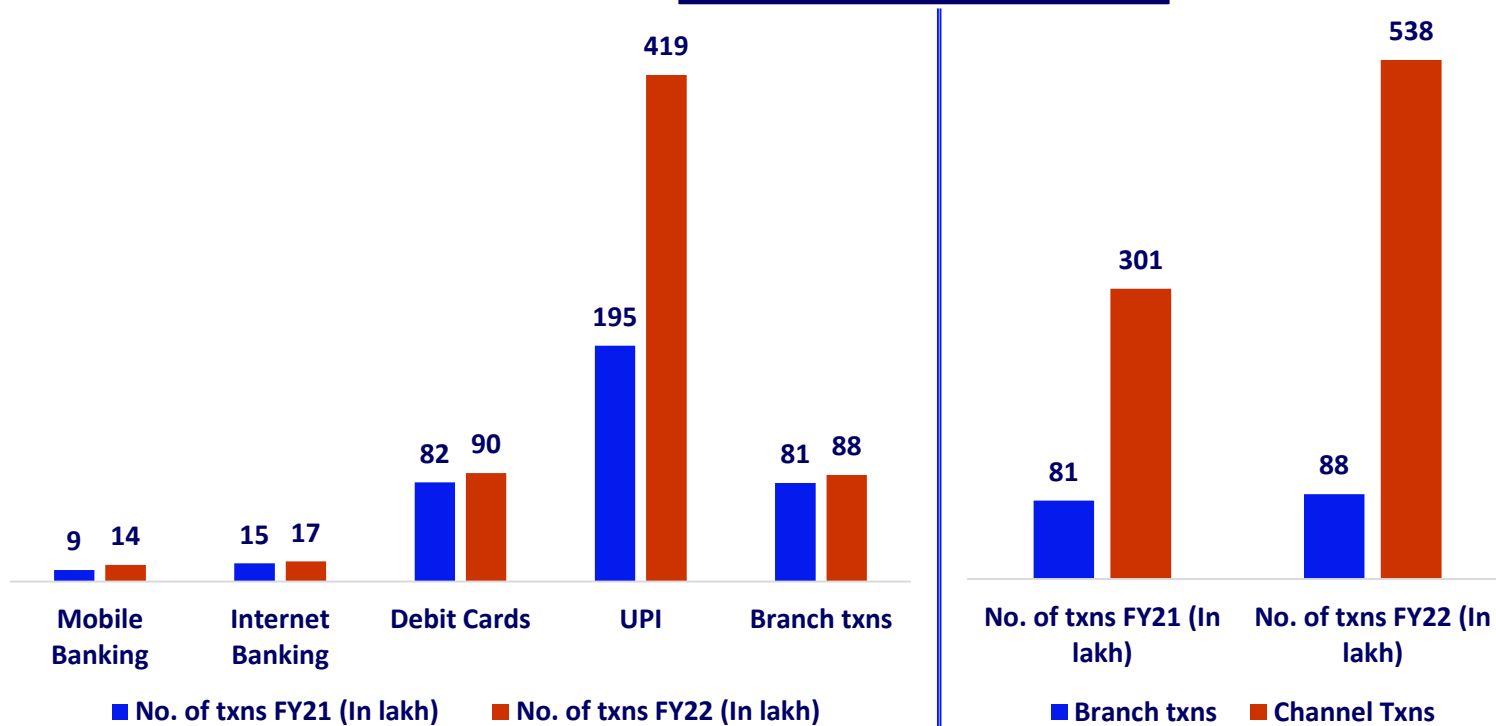
1.31 lac+ UPI
Downloads



3.23 lacs+ Mobile
Banking Users

Channel Transactions

Digital vs Branch



	No. of txns	
	FY21 (In lakh)	FY22 (In lakh)
Mobile Banking	9.48	13.66
Internet Banking	14.93	16.54
Debit Cards	81.92	89.5
UPI	194.76	418.53
Branch txns	81.48	88.13
Total Channel Transactions	301.1	538.22
% of channel txns	79%	87%

We aim to

- deliver long term value for the shareholders,
- grow with the aspirations of our customers,
- provide employees with a meritocratic work environment,
- meet the regulatory expectations.

Through

- expanding our footprints across India
- extending into new clientele base in retail and MSME
- reorganising into business verticals with clearly defined roles and responsibilities,
- incentivising performance,
- maintaining a granular asset portfolio with reduced focus on corporate credit,
- competing on non price value propositions,
- maintaining robust capital , funding and liquidity base,
- strong balance sheet with strong controls.

Thank You...

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