

BSR & Co. LLP

Chartered Accountants
14th Floor, Central Wing B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai – 400 063.

Mukund M. Chitale & Co.

Chartered Accountants
2nd Floor, Kapur house,
Paranjape B scheme Road No.1,
Vileparle (East),
Mumbai – 400 057.

Independent Auditor's Report**To the Board of Directors of CSB Bank Limited****Report on the audit of the Annual Financial Results****Opinion**

We have audited the accompanying annual financial results of CSB Bank Limited (hereinafter referred to as the "Bank") for the year ended 31 March 2023, attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), except for the disclosure relating to Pillar 3 disclosure as at 31 March 2023, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at 31 March 2023, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us; and
- b. give a true and fair view in conformity with the recognition and measurement principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, relevant provisions of the Banking Regulation Act, 1949 and the circulars and guidelines issued by the RBI from time to time, of the net profit and other financial information for the year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Bank, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

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Management's and Board of Directors' Responsibilities for the Annual Financial Results

The annual financial results have been prepared on the basis of annual financial statements.

The Bank's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other financial information in accordance with the recognition and measurement principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the RBI from time to time (the "RBI Guidelines") and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, management and the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Bank has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by management and the Board of Directors.



Auditor's Responsibilities for the Audit of the Annual Financial Results (continued)

- Conclude on the appropriateness of management and the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year.

For B S R & Co. LLP*Chartered Accountants*

ICAI Firm Registration Number: 101248W/W-100022

**Ritesh Goyal***Partner*

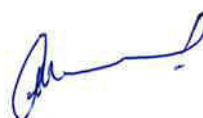
Membership No: 115007

ICAI UDIN: 23115007BGXPPA7389

Mumbai
28 April 2023

For Mukund M. Chitale & Co.*Chartered Accountants*

ICAI Firm Registration Number: 106655W

**Abhay V. Kamat***Partner*

Membership No: 039585

ICAI UDIN: 23039585BGXBKU7198



Mumbai
28 April 2023



CSB Bank Limited
 Regd. Office: 'CSB Bhavan', Post Box No. 502, St. Mary's College Road,
 Thrissur – 680020, Kerala, India.
 Tel: +91 487-2333020 | Fax: +91 487-2338764 |
 Website: www.csb.co.in | Email: board@csb.co.in
 Corporate Identity Number: L65191KL1920PLC000175



AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

(₹ in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	Audited (Refer note 17)	Unaudited	Audited (Refer note 17)	Audited	Audited
1. Interest Earned (a) + (b) + (c) + (d)	63,649	59,205	51,956	2,31,965	2,03,832
(a) Interest / Discount on advances / bills	52,867	49,452	41,224	1,88,813	1,59,728
(b) Income on investments	10,016	9,445	9,923	40,461	38,092
(c) Interest on balances with RBI and other inter bank funds	199	82	497	1,115	4,652
(d) Others	567	226	312	1,576	1,360
2. Other Income	12,632	8,990	6,361	31,601	24,679
3. Total Income (1+2)	76,281	68,195	58,317	2,63,566	2,28,511
4. Interest Expended	28,805	24,231	21,573	98,581	88,501
5. Operating Expenses (i) + (ii) + (iii)	27,288	24,620	22,539	94,245	78,638
(i) Employees cost	15,562	15,167	14,341	55,851	48,187
(ii) Rent, taxes and lighting	2,982	2,352	2,380	9,914	8,019
(iii) Other operating expenses	8,744	7,101	5,818	28,480	22,432
6. Total Expenditure (4+5) (excluding provisions and contingencies)	56,093	48,851	44,112	1,92,826	1,67,139
7. Operating Profit before Provisions and Contingencies (3-6)	20,188	19,344	14,205	70,740	61,372
8. Provisions (other than tax) and Contingencies	(920)	(1,496)	(3,410)	(2,621)	(51)
Of which provisions for non-performing assets / write off	312	479	(251)	3,066	6,890
9. Exceptional Items	-	-	-	-	-
10. Profit from Ordinary Activities before Tax (7-8-9)	21,108	20,840	17,615	73,361	61,423
11. Tax Expense	5,474	5,245	4,548	18,625	15,574
12. Net Profit from Ordinary Activities after Tax (10-11)	15,634	15,595	13,067	54,736	45,849
13. Extraordinary Items (net of tax expense)	-	-	-	-	-
14. Net Profit for the period (12-13)	15,634	15,595	13,067	54,736	45,849
15. Paid-up Equity Share Capital (Face value - ₹ 10 per equity share)	17,354	17,354	17,354	17,354	17,354
16. Reserves excluding Revaluation Reserves				2,87,807	2,32,464
17. Analytical Ratios					
(i) Capital Adequacy Ratio (Basel-III)	27.10%	25.78%	25.90%	27.10%	25.90%
(ii) Earnings per Share (EPS)*					
Basic EPS - before and after extraordinary items (in ₹)	9.01	8.99	7.53	31.55	26.43
Diluted EPS - before and after extraordinary items (in ₹)	9.01	8.99	7.53	31.55	26.43
(iii) NPA Ratios					
a) Gross NPA	26,256	27,129	28,951	26,256	28,951
Net NPA	7,182	7,766	10,699	7,182	10,699
b) % of Gross NPA	1.26%	1.45%	1.81%	1.26%	1.81%
% of Net NPA	0.35%	0.42%	0.68%	0.35%	0.68%
(iv) Return on Assets - Annualised	2.23%	2.37%	2.13%	2.06%	1.90%

* Quarterly numbers are not Annualised



SEGMENT INFORMATION					
(₹ in lakh)					
Particulars	Quarter ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	Audited	Unaudited	Audited	Audited	Audited
Segment Revenue:					
Treasury	11,269	10,239	11,543	42,950	48,162
Corporate/Wholesale Banking	18,680	16,416	11,727	62,277	50,937
Retail Banking	44,398	40,091	33,585	1,52,270	1,25,219
Other Banking Operations	1,934	1,449	1,462	6,069	4,193
Unallocated	-	-	-	-	-
Total Revenue	76,281	68,195	58,317	2,63,566	2,28,511
Less: Inter segment revenue	-	-	-	-	-
Income from operations	76,281	68,195	58,317	2,63,566	2,28,511
Segment Results (Net of provisions):					
Treasury	2,249	2,471	4,687	8,297	13,688
Corporate/Wholesale Banking	3,858	3,113	1,154	11,009	5,420
Retail Banking	14,193	14,635	11,043	51,642	40,539
Other Banking Operations	823	639	590	2,602	1,838
Unallocated	(15)	(18)	141	(189)	(62)
Profit Before Tax	21,108	20,840	17,615	73,361	61,423
Segment Assets:					
Treasury	6,48,253	6,02,765	7,72,298	6,48,253	7,72,298
Corporate/Wholesale Banking	7,26,897	6,32,754	5,88,497	7,26,897	5,88,497
Retail Banking	15,34,342	14,13,451	11,69,086	15,34,342	11,69,086
Other Banking Operations	1,323	1,184	1,047	1,323	1,047
Unallocated	5,413	5,305	4,699	5,413	4,699
Total	29,16,228	26,55,459	25,35,627	29,16,228	25,35,627
Segment Liabilities:					
Treasury	10,104	44,649	1,76,151	10,104	1,76,151
Corporate/Wholesale Banking	7,18,187	5,90,126	3,62,633	7,18,187	3,62,633
Retail Banking	18,67,555	17,15,875	17,31,601	18,67,555	17,31,601
Other Banking Operations	-	-	-	-	-
Unallocated	19	173	103	19	103
Total	25,95,865	23,50,823	22,70,488	25,95,865	22,70,488
Capital employed:					
(Segment Assets - Segment Liabilities)					
Treasury	6,38,149	5,58,117	5,96,147	6,38,149	5,96,147
Corporate/Wholesale Banking	8,710	42,628	2,25,864	8,710	2,25,864
Retail Banking	(3,33,213)	(3,02,424)	(5,62,515)	(3,33,213)	(5,62,515)
Other Banking Operations	1,323	1,184	1,046	1,323	1,046
Unallocated	5,394	5,131	4,597	5,394	4,597
Total	3,20,363	3,04,636	2,65,139	3,20,363	2,65,139

1. For the above segment reporting, the reportable segments are identified as Treasury, Corporate/ Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI Guidelines.

The business operations of the Bank are substantially concentrated in India and for the purpose of Segment Reporting as per Accounting Standard-17, the Bank is considered to operate only in domestic segment.

2. As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has to be identified as a sub-segment under Retail Banking. Since the Bank has not established DBU, Digital Banking has not been disclosed as a sub-segment under Retail Banking.

Notes:

1. Statement of Assets and Liabilities of the Bank as on March 31, 2023 is given below:

(₹ in lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
	Audited	Audited
Capital and Liabilities		
Capital	17,354	17,354
Reserves and Surplus	3,03,009	2,47,786
Deposits	24,50,581	20,18,830
Borrowings	78,297	2,00,719
Other Liabilities and Provisions	66,987	50,938
Total	29,16,228	25,35,627
Assets		
Cash and Balances with Reserve Bank of India	1,46,991	1,47,324
Balances with Banks and money at call & short notice	36,680	10,052
Investments	5,84,870	7,01,162
Advances	20,65,065	15,81,468
Fixed Assets	31,936	28,786
Other Assets	50,686	66,835
Total	29,16,228	25,35,627



2 Statement of Cash Flow for the year ended March 31, 2023 is given below:

(₹ in lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	Audited	Audited
A. Cash flows from operating activities		
Profit before income tax	73,361	61,423
Adjustments for:		
Depreciation on fixed assets	4,316	3,799
Provision for depreciation in value of investments	1,395	1,835
Provision towards non performing advances	3,066	6,890
Provision for Standard Assets	1,480	859
Employee Stock Option Expenses	487	1,268
Loss / (-) Profit on Sale of Fixed Assets	30	(38)
Amortisation of Premium paid on HTM Investments	484	532
Other Provisions and Contingencies	189	61
	84,808	76,629
Adjustments for:		
Decrease / (-) Increase in Investments (excluding Held to Maturity Investments)	1,79,349	(1,09,619)
Increase in Advances	(4,86,611)	(1,44,594)
Decrease in Other Assets	14,836	7,363
Increase in Deposits	4,31,752	1,04,825
Increase/(-)Decrease in Other Liabilities & Provisions	14,316	(9,039)
	2,38,450	(74,435)
Direct taxes paid (net of refunds)	(17,301)	(10,815)
Net cash flow from / (-) used in operating activities	2,21,149	(85,250)
Cash flows from investing activities:		
Purchase of fixed assets	(7,521)	(5,647)
Proceeds from sale of fixed assets	25	49
(-) Increase / Decrease in Held to Maturity Investments	(64,936)	18,690
Net cash flow (-) used in / from investing activities	(72,432)	13,092
Cash flows from financing activities		
Proceeds from issue of Equity Share Capital	-	-
(-) Repayment / Proceeds of Borrowings	(1,22,422)	58,127
Net cash flow (-) used in / from financing activities	(1,22,422)	58,127
Increase/(-) decrease in cash and cash equivalents	26,295	(14,031)
Cash and Cash Equivalents at the Beginning of the Year	1,57,376	1,71,407
Cash and Cash Equivalents at the End of the Year	1,83,671	1,57,376

1 The above audited financial results for the quarter and financial year ended March 31, 2023 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors of the Bank in their respective meeting held on April 28, 2023. These results have been subjected to audit by the Joint Statutory Auditors of the Bank, viz. B S R & Co. LLP, Chartered Accountants and Mukund M. Chitale & Co., Chartered Accountants and an unqualified audit report has been issued. The information presented above is extracted from the audited financial statements.

2 These financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ("the RBI"), from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including relevant circulars issued by the SEBI from time to time.

3 The information related to the comprehensive income and other comprehensive income has not been furnished as IND AS in not yet made applicable to the Bank.

4 The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars/ directions.

5 The working results have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures, Non Performing Assets, depreciation on investments, income tax and other usual and necessary provisions.

6 Other income includes fees earned from providing services to customers, commission from non-fund-based banking activities, earnings from foreign exchange transactions, selling of third-party products, profit on sale of investments (net), etc.

7 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.

8 During the quarter and financial year ended March 31, 2023, the Bank has not issued equity shares under the Employee Stock Option Scheme.

9 The Covid-19 virus, a global pandemic affected the world economy over the last three years. The extent to which any new wave of Covid-19 will impact the Bank's results will depend on ongoing as well as future development, including, among other things, any new information concerning the severity of the Covid-19 pandemic, and any action to contain its spread or mitigate its impact whether government mandated or elected by us.



10 The bank continues to hold "Contingency Provision for any Credit Loss Contingencies" of ₹ 10,592.00 Lakhs as at March 31, 2023, which is held as "Contingent Provision against Standard Assets" under the head "Other Liabilities and Provisions".

11 Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of the previous half year (A)	Of (A), aggregate debt that slipped into NPA during the half year (A)	Of (A), amount paid by the borrower during the half year (C)	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at the end of this half year. (D)
Personal Loans	1,489.12	95.53	810.69	547.86
Corporate Persons of which MSMEs				
Others				
Total	1,489.12	95.53	810.69	547.86

12 Details of loans transferred / acquired during the Quarter ended March 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) The Bank has not transferred any Non Performing Assets(NPA), Special Mention Accounts (SMA) and Loans not in default during the Quarter

(ii) Details of loans not in default acquired through assignment during the Quarter are given below:

Aggregate amount of loans acquired (₹ in Lakhs)	45,050
Weighted average residual maturity (in months)	19.02
Weighted average holding period by originator (in months)	3.68
Retention of beneficial economic interest by the originator	10%
Tangible security coverage	79%

The loans acquired are not rated as these are to non-corporate borrowers.

(iii) The Bank has not acquired any stressed loans during the Quarter

(iv) During the quarter ended March 31, 2023, the Bank has not transferred any stressed loans to Asset Reconstruction Companies (ARC).

13 In accordance with the Master Direction - Reserve Bank of India (Transfer of Loan Exposures) Directions 2021, amended on December 05, 2022, during the quarter ended December 31, 2022, Bank has provided an amount of Rs.1,177.38 Lakhs towards additional depreciation on Security Receipts. The same is netted off in 'Other Income' (Item No.2 of the Financial Results). The net book value of Security Receipts held by the Bank as on March 31, 2023 is Nil.

14 In accordance with RBI guidelines, Banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III framework. The Bank has made these disclosures which are available on its website at the link: <https://www.csb.co.in/basel-2basel-3-disclosures>. These disclosures have not been subjected to audit by the Joint Statutory Auditors of the Bank.

15 The Government has formulated four Labour Codes, namely, the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 which are yet to be implemented. The four Labour Codes envisage strengthening the protection available to workers, including unorganized workers in terms of statutory minimum wage, social security and healthcare of workers. As these Labour Codes have not been effective, the impact of these Labour Codes in the financial result for the year ended March 31, 2023 has not been factored.

16 Previous period's figures have been regrouped / reclassified, where necessary to conform to current period's classification and also the amounts / ratios for the previous period have been regrouped / reclassified pursuant to the requirements of Master Direction on Financial Statements - Presentation and Disclosures issued by Reserve Bank of India dated August 30, 2021, as amended and wherever considered necessary.

17 The figures of the last quarter in each of the financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the respective financial year.

Place: Thrissur
Date: April 28, 2023

For and on Behalf of the Board


Prady Manoj
Managing Director & CEO
DIN: 00117994



SEC/137/2023

April 28, 2023

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001.
Scrip code: 542867

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th floor,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400051.
Symbol: CSBBANK

Dear Sir/Madam,

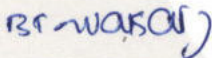
Declaration under Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Pursuant to Regulation 33(3)(d) of Listing Regulations, we hereby confirm and declare that the statutory auditors of the Bank, B S R & CO. LLP, Chartered Accountants and Mukund M. Chitale & Co, Chartered Accountants, have issued audit report on the financial results of the Bank for the year ended March 31, 2023, with unmodified opinion.

Kindly take the same on records.

Thanking You,

Yours faithfully,



B K Divakara
Chief Financial Officer