

PRESS RELEASE

CSB Bank Limited

Financial Results for the Quarter & Year ended March 31, 2023

The Board of Directors of CSB Bank took on record the audited financial results for the 4th quarter (Q4 FY 2023) and year ended 31.03.2023, in their meeting dated 28.04.2023.

Highlights

- a) **Profit After-tax:** Bank recorded a net profit of Rs 547 Crs for the year ended 31.03.2023 vis a vis profit of Rs 458 Crs in FY 22. Net profit improved by 19% on a Y-o-Y basis. Bank continues with the policy to maintain accelerated provisioning during this quarter as well. The entire outstanding Security Receipts balance as on 31.03.2023 has been fully provided for. RoA of the Bank stood above 2% for FY 23 at 2.06% as against 1.90% for FY 2022.
- b) **Strong Operating Performance:** Operating profit of bank for FY 23 was Rs 707 Crs registering YoY growth of 15% as against Rs 614 Crs during FY 22. Q4 FY 23 operating profit grew YoY by 42% and stood at Rs 202 Crs as against Rs 142 Crs in Q4 FY 22.
- c) **Net Interest Income (NII)** for FY 2023 stood at Rs 1334 Crs posting an increase of 16% YoY. In Q4 FY 23, the NII grew by 15% and stood at Rs 349 Crs as against Rs 304 Crs in Q4 FY 22.
- d) **Non-Interest Income ex treasury** for Q4 FY 2023 saw a growth of 42% over Q3 FY 2023 mainly due to PSLC and other fee income. In spite of lower treasury profits and PSLC income, other income for FY 23 grew by 28% and stood at Rs 316 Crs (PSLC income:- Rs 11 Crs) as against Rs 247 Crs (PSLC income: Rs 33 Crs) for FY 22.
- e) **Cost Income Ratio** for Q4 FY 23 stood at 57.48% as against 61.34% for Q4 FY 22 and the corresponding ratio for FY 2023 was at 57.12% as against 56.17% for FY 22.

f) Healthy Asset Quality & Provisioning

Gross NPA and Net NPA ratios have improved to 1.26% and 0.35% respectively as on 31.03.2023 over the previous quarters. PCR continues to be above 90%

Particulars	Q4 FY 23	Q3 FY 23	Q2 FY 23	Q1 FY 23	FY 22
Gross NPA	262.56	271.29	291.04	293.01	289.51
Gross NPA %	1.26%	1.45%	1.65%	1.79%	1.81%
Net NPA	71.82	77.66	98.86	96.75	106.99
Net NPA %	0.35%	0.42%	0.57%	0.60%	0.68%
Provisioning Coverage Ratio	92.11%	91.93%	90.10%	90.51%	89.65%

- g) **Robust Capital Structure** - Capital Adequacy Ratio is at 27.10%, which is well above the regulatory requirement. Leverage ratio is at 9.98% as on 31.03.2023.
- h) **Comfortable Liquidity Position** - Liquidity Coverage Ratio is comfortable at 123%

- i) **Total Deposits** grew by 21 % YoY. Correspondingly, CASA book grew by 16% from Rs 6795 Crs to Rs 7886 Crs YoY. The CASA ratio stood at 32.18% as on 31.03.2023 as against 31.44% as on 31.12.2022.
- j) **Advances (Net)** grew by 31% YoY to Rs 20651 Crs as on 31.03.2023 supported mainly by a gold loan portfolio growth of 48% YoY.

Performance Highlights:

(Rs Crore)	Q4 FY 23	Q4 FY 22	Inc/ Dec%	Q3 FY23	QoQ% Growth	FY 23	FY 22	Inc/ Dec%
Interest Income	636.50	519.56	23%	592.05	8%	2,319.65	2,038.31	14%
Interest Expense	288.05	215.73	34%	242.31	19%	985.81	885.01	11%
Net Interest Income	348.45	303.83	15%	349.74	0%	1,333.85	1,153.30	16%
Treasury Profits	7.70	-1.22	-730%	6.19	24%	2.44	11.50	-79%
Other Income(ex- treasury)	118.62	64.83	83%	83.71	42%	313.57	235.30	33%
Total Non-Interest Income	126.32	63.61	99%	89.90	41%	316	247	28%
Net Operating Income	474.77	367.43	29%	439.64	8%	1,649.86	1,400.10	18%
Staff Cost	155.63	143.41	9%	151.67	3%	558.51	481.87	16%
Other Opex	117.26	81.97	43%	94.53	24%	383.94	304.51	26%
Total Opex	272.89	225.38	21%	246.20	11%	942.46	786.38	20%
Operating Profit	201.88	142.05	42%	193.44	4%	707.40	613.72	15%
Provision for NPA	-17.56	-37.30	-53%	-15.48	13%	-42.91	-9.81	337%
Other Provisions	8.36	3.20	161%	0.52	1516%	16.69	9.30	80%
Provisions other than Tax	-9.20	-34.10	-73%	-14.96	-38%	-26.21	-0.51	5018%
PBT	211.08	176.15	20%	208.40	1%	733.61	614.23	19%
Tax	54.74	45.48	20%	52.45	4%	186.25	155.74	20%
PAT	156.34	130.67	20%	155.95	0%	547.36	458.49	19%
Deposits	24,505.81	20,188.30	21%	22,664.02	8%	24,505.81	20,188.30	21%
Advances(Net)	20,650.65	15,814.68	31%	18,456.70	12%	20,650.65	15,814.68	31%
CASA	7,886.26	6,795.17	16%	7,125.74	11%	7,886.26	6,795.17	16%
Gold	9,700.59	6,569.74	48%	8,780.30	10%	9,700.59	6,569.74	48%
CASA%	32.18%	33.66%	-4%	31.44%	2%	32.18%	33.66%	-4%

CEO Speak:

Speaking about the performance **Mr. Pralay Mondal, Managing Director & CEO** said, “It gives me immense pleasure to see that the first year of SBS 2030 vision has fared well in the expected lines and this good start gives us comfort to pursue this journey with more confidence. We continued to deliver the stakeholder expectations both in terms of topline and bottom line. We could register a record net profit of Rs 547 Crs; up by 19% YoY backed by a 25% business growth; 31% net loan book growth and 21% deposit growth. We were able to grow faster than the average industry growth trends in both deposits and advances. Despite lower treasury and PSLC income contributions, the operating profit recorded a growth of 15% supported by growth in NII and other income. Key indicators like NIM, CRAR, RoA, NPA ratios etc. continue to be strong. In line with our geographic expansion plans, we hit a hat trick by opening another 100 branches in the third consecutive year thus taking the total branch count to 703 from 411 as on 31.03.20 with a 70% increase in the last 3 years.

The good part of the first year SBS journey is that we could sustain our core strengths and start the build phase. All the retail verticals planned for the FY are in place and have started contributing. FY 24 will be the most crucial year in the build phase where we plan for major infra investments- technology being the key one. We will also continue with the geographic expansion plans. As we progress here, the business verticals will get benefitted by the improved support structure which will particularly help in the full-fledged offtake of the retail verticals. With the key enablers viz verticals, systems & processes, products and policies, HR structure etc. all falling in place, we will be aggressively pursuing the key agenda of SBS 2030 which underlines the build up of a quality customer franchise. We will put in all our efforts to progress as per our vision quarter on quarter and year on year.

About CSB Bank Limited:

We are one of the oldest private sector banks in India with an existence of over 100 years. While our Bank has a long operating history as a traditional bank, we are currently focusing on implementing strategic changes in business model to function efficiently like a full service new age private sector bank. We have a strong base in Kerala along with significant presence in Tamil Nadu, Maharashtra, Karnataka and Andhra Pradesh. We offer a wide range of products and services to our overall customer base of 2.1 million, with particular focus on SME, Retail, and NRI customers. We deliver our products and services through multiple channels, including 703 branches (excluding three service branches and three asset recovery branches) and 528 ATMs/CRMs spread across the country and various alternate channels such as micro ATMs, debit cards, internet banking, mobile banking, point of sale services and UPI.

CSB Bank is listed on both NSE and BSE. For further details, please visit www.csb.co.in

Safe Harbour:

Some of the statements in this document that are not historical facts; are forward-looking statements. These forward- looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

Kindly direct your enquiries to:

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