

## PRESS RELEASE

### CSB Bank

## Financial Results for the Quarter and Half Year Ended September, 30, 2023

The Board of Directors of CSB Bank took on record the financial results for the quarter (Q2 FY24) and half year ended 30.09.2023(H1 FY 24) which were subject to limited review in their meeting held on 20.10.2023

### Highlights

- a) **Profit after Tax** : Bank recorded a net profit of Rs 265.39 Cr during the half year ended 30<sup>th</sup> September 2023 as against Rs 235.07 Cr during the corresponding period last year at a growth of 13%. Net profit during the current quarter was higher by 10% over Q2 FY23. Bank continued its accelerated loan provisioning policy during this quarter as well. Bank registered a healthy RoA of 1.76% for H1 and 1.73% for Q2 of FY 24.
- b) **Operating Profit** of the bank for the half year ending 30<sup>th</sup> September 2023 is at Rs 356.06 Crs which is higher by 14% compared to H1 FY 23
- c) **Net Interest Income (NII)** for H1FY24 stood at Rs 707.71 Cr posting an increase of 11% over H1 FY 23. In Q2 FY 24, the NII stood at Rs 343.70 Cr as against Rs 324.97 Cr in Q2 FY 23 or by 6 %.
- d) **Non-Interest Income**: The enhanced focus on other income streams helped in posting an increase of 171% in H1 FY 24 compared to same period last year. Q2 FY 24 growth is higher by 230% as against Q2 FY 23.
- e) **Cost Income Ratio** is at 64.52% as at the end of Q2 FY 24; where as it was 57.46% for Q2 FY 23. The increase is mainly on account of significant investments made on people, distribution, systems & processes. As the payback starts, it will gradually come down and the change will be discernible from FY 25 onwards .

#### f) **Healthy Asset Quality & Provisioning**

The GNPA and NNPA ratios are at the same levels as at the end of June quarter.

Particulars	Q2 FY 24	Q1 FY 24	FY 23
Gross NPA	284.75	270.66	262.56
Gross NPA %	1.27%	1.27%	1.26%
Net NPA	72.50	67.77	71.82
Net NPA %	0.33%	0.32%	0.35%
Provisioning Coverage Ratio	91.75%	92.54%	92.11%

- g) **Healthy capital position** - Capital Adequacy Ratio is at 23.96%, which is much above the regulatory requirement; Tier I ratio comprises of major component of CRAR and stood at a healthy level of 22.56%
- h) **Total Deposits** grew by 21 % YoY. Further, CASA book grew by 4% to Rs 7448 Crs YoY. The CASA ratio stood at 29.28% as on 30.09.2023
- i) **Advances (Net)** grew by 27% YoY to Rs 22255.99 Crs as on 30.09.2023 supported by a robust growth of 32% in gold loans on YOY basis.

## Performance Highlights:

(Rs Crore)	Q2FY24	Q2FY23	Inc/Dec%	Q1FY24	QoQ % Growth	6M FY 24	6M FY 23	Inc/Dec%
Interest Income	687.35	555.18	24%	683.49	1%	1,370.84	1,091.11	26%
Interest Expense	343.65	230.21	49%	319.48	8%	663.13	455.45	46%
Net Interest Income	343.70	324.97	6%	364.01	-6%	707.71	635.66	11%
Treasury Profits	5.78	-21.37		12.18		17.97	-11.45	
Other Income	142.67	66.31	115%	109.36	30%	252.03	111.23	127%
Total Non-Interest Income	148.45	44.94	230%	121.55	22%	270.00	99.79	171%
Net Operating Income	492.15	369.91	33%	485.56	1%	977.71	735.45	33%
Staff Cost	175.74	126.90	38%	176.15	0%	351.90	247.87	42%
Other Opex	141.78	85.64	66%	127.97	11%	269.76	175.50	54%
Total Opex	317.53	212.55	49%	304.13	4%	621.65	423.37	47%
Operating Profit	174.63	157.36	11%	181.43	-4%	356.06	312.08	14%
NPA Provision	-8.28	-8.69		3.71		-4.57	-9.87	
Other Provisions	4.95	4.95		1.03		5.97	7.81	
Provisions other than Tax	-3.33	-3.73		4.73		1.41	-2.05	
PBT	177.96	161.09	10%	176.70	1%	354.65	314.13	13%
Tax	44.79	40.54	10%	44.47	1%	89.26	79.06	13%
PAT	133.17	120.55	10%	132.23	1%	265.39	235.07	13%
Deposits	25,438	20,987	21%	24,476	4%	25,438	20,987	21%
Advances (Net)	22,256	17,468	27%	21,104	5%	22,256	17,468	27%
CASA	7,448	7,193	4%	7,548	-1%	7,448	7,193	4%
Gold (Gross)	10,619	8,029	32%	10,065	6%	10,619	8,029	32%
CASA%	29.28%	34.27%	-5%	30.84%	-2%	29.28%	34.27%	-5%

## CEO Speak:

Speaking about the performance **Mr. Pralay Mondal, Managing Director & CEO** said, “consistent performance and improvement quarter over quarter gives comfort in pursuing the larger vision of SBS 2030 with lot more confidence. We could register a net profit of Rs 265 Crs for the half year ended 30.09.23; up by 13% YoY. NII registered a robust growth of 11% and non-interest income by 171%. On the topline, our total business grew by 24% supported by the deposit growth of 21% and net advance growth of 27%. Gold loan portfolio registered a YoY growth of 32%. The key ratios like NIM, CRAR, RoA etc continues to be strong. Our asset quality ratios are stable and better compared to Q2 FY 23.

We are now taking rapid strides in strengthening the building blocks that will help us in leveraging our full-service banking licence and build a 360-degree PAN India franchise across Wholesale, SME, Retail and Gold Loan Businesses. Our primary focus is to build a solid liability franchise by acquiring quality customers and onboarding them with all banking products and services. We are significantly investing in leadership, people, distribution and products while transforming the technology stack to provide our valued customers good service and 360-degree banking facility.

**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 734 branches (excluding service branches and asset recovery branches) and 546 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](http://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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