

Walker Chandiok & Co LLP
Chartered Accountants
16th Floor, Tower III
One International Center
S B Marg, Prabhadevi (W)
Mumbai - 400 013
Maharashtra, India

Sundaram & Srinivasan
Chartered Accountants
23, C.P. Ramasamy Road
Alwarpet
Chennai – 600 018
Tamil Nadu, India

Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of CSB Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of CSB Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **CSB Bank Limited** ('the Bank') for the quarter ended 30 September 2024 and the year to date results for the period 01 April 2024 to 30 September 2024, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), except for the disclosures relating to Pillar 3 disclosure as at 30 September 2024, including leverage ratio, liquidity coverage ratio and net stability 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 Statement and have not been reviewed by us.
2. The Statement, which is the responsibility of the Bank's management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting ('AS 25'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), 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, applicable to banks ('the RBI guidelines'), and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in AS 25 prescribed under section 133 of the Act, the RBI guidelines, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosure as at 30 September 2024, including leverage ratio, liquidity coverage ratio and net stability 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 Statement and have not been reviewed by us.



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5. The review of unaudited quarterly financial results for the quarter ended 30 June 2024, review of unaudited quarterly financial results for the quarter and half-year ended 30 September 2023 and audit of financial results for the year ended 31 March 2024 included in the Statement was carried out and reported by Walker Chandiok & Co LLP and Mukund M. Chitale & Co. who have expressed unmodified conclusion vide their review report dated 29 July 2024 and 20 October 2023 and an unmodified opinion vide their audit report dated 26 April 2024, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Accordingly, Sundaram & Srinivasan do not express any conclusion on the figures reported in the Statement for the quarter ended 30 June 2024 and for the quarter and half-year ended 30 September 2023, or any opinion on the figures reported in the Statement for the year ended 31 March 2024. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Sudhir N. Pillai
Partner
Membership No:105782

UDIN:24105782BKFJET4304

Place: Mumbai
Date: 24 October 2024



For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No:004207S

P. Menakshi Sundaram
Partner
Membership No:217914

UDIN:24217914BKBPBZ6717

Place: Mumbai
Date: 24 October 2024





CSB Bank Limited

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Website: www.csb.co.in | Email: board@csb.co.in

Corporate Identity Number: L65191KL1920PLC000175



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a) + (b) + (c) + (d)	86,485	83,202	68,734	1,69,687	1,37,083	2,92,754
(a) Interest / discount on advances / bills	71,168	67,573	58,469	1,38,741	1,15,582	2,46,014
(b) Income on investments	14,338	13,755	9,638	28,093	18,813	42,399
(c) Interest on balances with RBI and other inter bank funds	351	485	352	836	697	1,476
(d) Others	628	1,389	275	2,017	1,991	2,865
2. Other income	19,938	17,184	14,254	37,122	26,244	58,429
3. Total Income (1+2)	1,06,423	1,00,386	82,988	2,06,809	1,63,327	3,51,183
4. Interest expended	49,737	47,005	34,365	96,742	66,313	1,45,113
5. Operating expenses (i) + (ii)	36,651	36,132	31,160	72,783	61,408	1,28,078
(i) Employees cost	18,483	17,695	17,574	36,178	35,189	71,471
(ii) Other operating expenses	18,168	18,437	13,586	36,605	26,219	56,607
6. Total Expenditure (4+5) (excluding provisions and contingencies)	86,388	83,137	65,525	1,69,525	1,27,721	2,73,191
7. Operating Profit before Provisions and Contingencies (3-6)	20,035	17,249	17,463	37,284	35,606	77,992
8. Provisions (other than tax) and Contingencies	1,391	2,006	(333)	3,397	141	1,848
9. Exceptional items	-	-	-	-	-	-
10. Profit from Ordinary Activities before Tax (7-8-9)	18,644	15,243	17,796	33,887	35,465	76,144
11. Tax expense	4,803	3,911	4,479	8,714	8,926	19,462
12. Net Profit from Ordinary Activities after Tax (10-11)	13,841	11,332	13,317	25,173	26,539	56,682
13. Extraordinary items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	13,841	11,332	13,317	25,173	26,539	56,682
15. Paid-up Equity Share Capital (Face value - ₹ 10 per equity share)	17,354	17,354	17,354	17,354	17,354	17,354
16. Reserves excluding revaluation reserves	-	-	-	-	-	3,45,427
17. Analytical Ratios						
(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio (Basel-III)	22.74%	23.61%	23.96%	22.74%	23.96%	24.47%
(iii) Earnings per Share (EPS)*						
Basic EPS - before and after extraordinary items (in ₹)	7.98	6.53	7.68	14.51	15.30	32.67
Diluted EPS - before and after extraordinary items (in ₹)	7.98	6.53	7.68	14.51	15.30	32.67
(iv) NPA Ratios						
a) Gross NPAs	45,212	42,399	28,476	45,212	28,476	36,107
Net NPAs	18,332	16,911	7,249	18,332	7,249	12,490
b) % of Gross NPAs	1.68%	1.69%	1.27%	1.68%	1.27%	1.47%
% of Net NPAs	0.69%	0.68%	0.33%	0.69%	0.33%	0.51%
(v) Return on Assets - Annualised	1.48%	1.24%	1.73%	1.36%	1.76%	1.79%
(vi) Network [#]	3,90,173	3,69,976	3,23,258	3,90,173	3,23,258	3,56,364
(vii) Outstanding Redeemable Preference Shares	-	-	-	-	-	-
(viii) Capital Redemption Reserve	-	-	-	-	-	-
(ix) Debenture Redemption Reserve	-	-	-	-	-	-
(x) Debt Equity Ratio ^{S@}	56.67%	49.81%	52.03%	56.67%	52.03%	46.20%
(xi) Total Debt to Total Assets ^S	5.95%	5.37%	5.75%	5.95%	5.75%	4.87%

* Quarterly numbers are not Annualised.

[#]Net worth consist of paid up equity capital and reserves excluding revaluation reserve less intangible assets and deferred tax asset.

[@] Equity includes paid up capital and reserves.

^S Debt and total debts represents total borrowings of the Bank



SEGMENT INFORMATION						
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	18,083	16,290	10,462	34,372	22,555	49,815
Corporate/Wholesale Banking	24,872	22,219	19,124	47,091	37,858	81,457
Retail Banking	60,192	59,132	50,403	1,19,325	98,320	2,07,509
Other Banking Operations	3,276	2,745	2,999	6,021	4,594	12,402
Unallocated	-	-	-	-	-	-
Total Revenue	1,06,423	1,00,386	82,988	2,06,809	1,63,327	3,51,183
Less: Inter segment revenue	-	-	-	-	-	-
Income from operations	1,06,423	1,00,386	82,988	2,06,809	1,63,327	3,51,183
Segment Results (Net of provisions):						
Treasury	1,232	1,833	2,144	3,065	5,034	5,785
Corporate/Wholesale Banking	2,005	3,241	3,966	5,247	6,861	15,459
Retail Banking	14,337	9,277	10,603	23,613	21,892	51,196
Other Banking Operations	1,153	887	1,090	2,039	1,685	4,693
Unallocated	(83)	5	(6)	(77)	(7)	(989)
Profit Before Tax	18,644	15,243	17,796	33,887	35,465	76,144
Segment Assets:						
Treasury	10,11,788	9,15,508	6,84,563	10,11,788	6,84,563	7,74,634
Corporate/Wholesale Banking	9,17,593	8,59,137	7,45,002	9,17,593	7,45,002	9,17,366
Retail Banking	20,07,556	18,74,735	17,04,950	20,07,556	17,04,950	19,04,749
Other Banking Operations	3,083	2,734	1,790	3,083	1,790	2,824
Unallocated	6,426	6,206	5,975	6,426	5,975	6,026
Total	39,46,446	36,58,320	31,42,280	39,46,446	31,42,280	36,05,599
Segment Liabilities:						
Treasury	3,01,155	2,31,907	1,61,925	3,01,155	1,61,925	2,00,572
Corporate/Wholesale Banking	13,38,031	12,08,657	7,54,796	13,38,031	7,54,796	11,30,540
Retail Banking	18,93,174	18,23,723	18,77,954	18,93,174	18,77,954	18,93,520
Other Banking Operations	-	-	-	-	-	-
Unallocated	14	(85)	323	14	323	602
Total	35,32,374	32,64,202	27,94,998	35,32,374	27,94,998	32,25,234
Capital employed:						
(Segment Assets-Segment Liabilities)						
Treasury	7,10,633	6,83,601	5,22,639	7,10,633	5,22,639	5,74,063
Corporate/Wholesale Banking	(4,20,438)	(3,49,520)	(9,794)	(4,20,438)	(9,794)	(2,13,175)
Retail Banking	1,14,382	51,012	(1,73,005)	1,14,382	(1,73,005)	11,229
Other Banking Operations	3,083	2,734	1,790	3,083	1,790	2,824
Unallocated	6,412	6,291	5,652	6,412	5,652	5,424
Total	4,14,072	3,94,118	3,47,282	4,14,072	3,47,282	3,80,365

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 is given below:

(₹ in Lakhs)

Particulars	As at 30.09.2024	As at 30.09.2023	As at 31.03.2024
	Unaudited	Unaudited	Audited
Capital and Liabilities			
Capital	17,354	17,354	17,354
Reserves and Surplus	3,96,719	3,29,928	3,63,011
Deposits	31,84,019	25,43,818	29,71,860
Borrowings	2,34,675	1,80,704	1,75,738
Other Liabilities and Provisions	1,13,679	70,476	77,636
Total	39,46,446	31,42,280	36,05,599
Assets			
Cash and Balances with Reserve Bank of India	3,03,742	1,53,165	3,08,965
Balances with Banks and money at call & short notice	27,978	6,356	6,524
Investments	8,36,963	6,69,199	7,55,143
Advances	26,60,212	22,25,599	24,33,558
Fixed Assets	48,577	32,887	40,592
Other Assets	68,974	55,074	60,817
Total	39,46,446	31,42,280	36,05,599

2 Statement of Cash Flow is given below:

(₹ in Lakhs)

Particulars	Half Year ended 30.09.2024	Half Year ended 30.09.2023	Year ended 31.03.2024
	Unaudited	Unaudited	Audited
A. Cash flows from operating activities			
Profit before income tax	33,887	35,465	76,144
Adjustments for:			
Depreciation on fixed assets	4,021	2,554	5,555
(Reversal)/Provision for depreciation in value of investments	6	249	(716)
Provision towards non performing advances	5,489	2,454	5,763
Provision for standard assets	726	590	1,331
Employee stock option expenses	377	379	789
(Profit)/Loss on sale of fixed assets	20	3	(110)
Amortisation of premium/(discount) paid on HTM investments	(697)	77	404
Other provisions and contingencies	77	7	990
	43,906	41,778	90,150
Adjustments for:			
(Increase)/Decrease in investments (excluding Held to Maturity Investments)	(3,63,960)	(73,624)	(37,612)
(Increase)/Decrease in advances	(2,32,144)	(1,62,988)	(3,74,257)
(Increase)/Decrease in other assets	(6,926)	(3,117)	(7,443)
Increase/(Decrease) in deposits	2,12,139	93,257	5,21,299
Increase/(Decrease) in other liabilities & provisions	35,260	2,872	8,310
	(3,11,725)	(1,01,822)	2,00,447
Direct taxes paid (net of refunds)	(10,334)	(10,196)	(22,150)
Net cash flow from operating activities	(3,22,059)	(1,12,018)	1,78,297
Cash flows from investing activities:			
Purchase of fixed assets	(12,077)	(3,523)	(11,842)
Proceeds from sale of fixed assets	51	16	272
Decrease/(Increase) in Held to Maturity Investments	2,91,379	(11,032)	(1,32,350)
Net cash flow used in investing activities	2,79,353	(14,539)	(1,43,920)
Cash flows from financing activities			
Proceeds of Borrowings (net)	58,937	1,02,407	97,441
Net cash flow from / (used) in financing activities	58,937	1,02,407	97,441
Net Increase/(Decrease) in cash and cash equivalents	16,231	(24,150)	1,31,818
Cash and cash equivalents at the beginning of the period	3,15,489	1,83,671	1,83,671
Cash and cash equivalents at the end of the period	3,31,720	1,59,521	3,15,489

3 The above financial results for the quarter and half year ended September 30, 2024 have been reviewed by the Audit Committee of the Board and thereafter approved by the Board of Directors of the Bank in their respective meeting held on October 24, 2024. These results have been subjected to review by the joint statutory auditors of the Bank, viz M/s Sundaram & Srinivasan, Chartered Accountants and Walker Chandio & Co LLP and an unqualified review report has been issued. The previous periods figures were reviewed/audited by Mukund M. Chitale & Co., Chartered Accountants and Walker Chandio & Co LLP.

4 The above financial results of the Bank have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards specified under Section 133 of the Companies Act, 2013 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 as amended including relevant circulars issued by the SEBI from time to time.



5 During the quarter ended June 30, 2024, the Bank implemented the Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023 which is applicable to banks from April 01, 2024. Consequent to the transition provisions, the Bank has recognised fair valuation gain (net of tax) of Rs.111.35 lakhs (Gross amount Rs. 148.80 lakhs) to General Reserve and fair valuation gain (net of tax) Rs. 1,047.28 lakhs (Gross amount Rs. 1,399.51 lakh) to AFS reserve, in accordance with the said norms. Subsequent changes in fair value of performing investments under Available for Sale (AFS) and Fair Value Through Profit and Loss ('FVTPL') (including Held For Trading ('HFT')) categories have been recognised through AFS reserve and Profit and Loss Account respectively. Accordingly, the amounts for periods prior to April 01, 2024 are not comparable.

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 The Bank follows the trust route for administering 'CSB Employee Stock Option Scheme, 2019'. During the quarter ended September 30, 2024, the Bank has not issued any equity shares to CSB ESOS Trust; however, 17,450 options were exercised by option grantees in the same period.

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

Type of Borrower	(₹ in Lakhs)				
	(A)	(B)	(C)	(D)	(E)
	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	Of (A), amount written off during the half year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end current half year
Personal Loans	222.58*	-	-	22.22	143.19
Corporate Persons	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	222.58	-	-	22.22	143.19

*Includes reinstated accounts of Rs. 152.27 lakh based on the revised interpretation on RBI guidelines on COVID restructuring.

10 Details of loans transferred / acquired during the quarter ended September 30, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

- (i) The Bank has not transferred / acquired any loans not in default through assignment of loans.
(ii) The Bank has not transferred / acquired any stressed loans (Non-performing asset or special mention account).
(iii) Details of ratings of Security Receipts (SR) outstanding as on September 30, 2024 are given below:

(₹ in Lakhs)			
Rating	Rating Agency	Recovery Rating	Gross Value of Outstanding SRs
Unrated	NA	-	12,826.35
Total			12,826.35

All the above SR are fully provided and the net book value as on September 30, 2024 is nil.

11 The Bank does not have any Subsidiaries/Associates/Joint ventures as on September 30, 2024, hence, disclosure related to Consolidated Financial Statement is not applicable.

12 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/review by the Joint Statutory Auditors of the Bank.

13 Previous period's figures have been regrouped / reclassified, where necessary to conform to current period's classification.

Place: Thrissur
Date: October 24, 2024

For and on behalf of the Board


Pralay Mondal
Managing Director & CEO
DIN: 00117994

