

PRESS RELEASE

CSB Bank Limited

Financial Results for the Quarter & Nine Months Ended December 31, 2023

The Board of Directors of CSB Bank took on record the financial results for the quarter (Q3 FY 2024) and nine months ended 31.12.2023, which were subject to limited review in their meeting dated 29.01.2024.

Highlights

- a) **Profit After-tax:** Bank registered a net profit of Rs 415 Crs for the nine months ended 31.12.2023 vis a vis a net profit of Rs 391 Crs for the corresponding period last year. Net profit improved by 6% on a YoY basis. Bank continued with its policy of maintaining accelerated loan provisioning during this quarter as well. Net profit for the quarter alone stood at Rs. 150 Crs. The annualized RoA for the nine months ended 31.12.2023 is at 1.78%.
- b) **Operating Profit:** The operating profit for the nine months period ended 31.12.2023 stood at Rs 552 Crs as against Rs 506 Crs for the corresponding previous period registering a growth of 9%. Operating profit of the bank for Q3 FY 2024 stood at Rs 196 Crs with a growth of 12% over the sequential quarter.
- c) **Net Interest Income (NII)** for 9 months ended 31.12.2023 stood at Rs 1090 Crs posting an increase of 11% YoY. In Q3 FY 24, the NII stood at Rs 383 Crs with an increase of 11% over Q2 FY 24 and 9 % over Q3 FY 23.
- d) **Non-Interest Income** for Q3 FY 2024 posted a growth of 39% over Q3 FY 2023. Other income for the nine months ended 31.12.2023 stood at Rs 388 Crs as against Rs 190 Crs for nine months ended 31.12.2022 with a whopping 104% increase.
- e) **Cost Income Ratio** for Q3 FY 24 stood at 61.44% as against 64.09% for Q2 FY 24. Cost income ratio for the nine months ended 31.12.2023 was at 62.66% as against 56.98% as on 31.12.2022 consequent to the investments made in people, technology, distribution etc. keeping the long term growth prospects of the Bank in mind.
- f) **Healthy Asset Quality & Provisioning**

The GNPA and NNPA have been checkmated and it has marginally come down sequentially over Sept 2023 / on year on year basis. PCR continues to be in excess of 90%

Particulars	Q3 FY 24	Q2 FY 24	Q1 FY 24	FY 23
Gross NPA	278.73	284.76	270.66	262.56
Gross NPA %	1.22%	1.27%	1.27%	1.26%
Net NPA	70.23	72.50	67.77	71.82
Net NPA %	0.31%	0.33%	0.32%	0.35%
Provisioning Coverage Ratio	91.85%	91.75%	92.54%	92.11%

- g) **Robust Capital Structure** - Capital Adequacy Ratio is at 22.99%, which is well above the regulatory requirement. Leverage ratio is at 8.97% as on 31.12.2023 much above the regulatory threshold ceilings.
- h) **Comfortable Liquidity Position** - Liquidity Coverage Ratio as on 31.12.23 stood at a comfortable level of 123% whereas on a quarterly average basis the same was maintained at 113% for Q3.

i) **Total Deposits** grew by 21 % YoY. The CASA book grew from Rs 7126 Crs to Rs 7543 Crs YoY (Up by 6%). The CASA ratio stood at 27.58 % as on 31.12.2023.

j) **Advances (Net)** grew by 23% YoY from Rs 18457 Crs to Rs 22658 Crs as on 31.12.2023.

Performance Highlights:

(Rs Crore)	Q3 FY 24	Q3 FY 23	Inc/ Dec%	Q2FY24	QoQ% Growth	9M FY 24	9M FY 23	Inc/ Dec%
Interest Income	761.84	592.05	29%	687.35	11%	2,132.67	1,683.16	27%
Interest Expense	379.16	242.31	56%	343.65	10%	1,042.29	697.76	49%
Net Interest Income	382.67	349.74	9%	343.70	11%	1,090.38	985.40	11%
Treasury Profits	12.56	6.19	103%	5.78	117%	30.52	-5.26	-681%
Other Income	112.78	83.71	35%	136.75	-18%	357.25	194.95	83%
Total Non-Interest Income	125.34	89.90	39%	142.54	-12%	387.77	189.69	104%
Net Operating Income	508.01	439.64	16%	486.24	4%	1,478.16	1,175.09	26%
Staff Cost	172.81	151.62	14%	175.74	-2%	524.70	399.48	31%
Other Opex	139.33	94.58	47%	135.87	3%	401.53	270.09	49%
Total Opex	312.14	246.20	27%	311.61	0%	926.23	669.57	38%
Operating Profit	195.87	193.44	1%	174.63	12%	551.93	505.52	9%
Provision for NPA	-5.62	-15.48	-64%	-8.28	-32%	-10.19	-25.34	-60%
Other Provisions	1.09	0.52	110%	4.95	-78%	7.06	8.33	-15%
Provisions other than Tax	-4.54	-14.96	-70%	-3.33	36%	-3.13	-17.01	-82%
PBT	200.40	208.40	-4%	177.96	13%	555.06	522.53	6%
Tax	50.44	52.45	-4%	44.79	13%	139.70	131.51	6%
PAT	149.97	155.95	-4%	133.17	13%	415.36	391.02	6%
Deposits	27,344.83	22,664.02	21%	25,438.38	7%	27,344.83	22,664.02	21%
Advances(Net)	22,658.16	18,456.70	23%	22,255.99	2%	22,658.16	18,456.70	23%
CASA	7,542.62	7,125.74	6%	7,447.71	1%	7,542.62	7,125.74	6%
Gold	10,817.06	8,761.51	23%	10,594.64	2%	10,817.06	8,761.51	23%
CASA%	27.58%	31.44%	-4%	29.28%	-2%	27.58%	31.44%	-4%

CEO Speak:

Speaking about the performance **Mr. Pralay Mondal, Managing Director & CEO** said, “The last quarter gone by was reasonably stable for us. Our efforts have always been to grow 30 to 50% faster than the system. The liquidity conditions prevailed in the system did pose some challenges in funds management. We focused more on deposits this quarter and could register a growth of 21% on a YoY basis whereas the industry grew by 13%. On the advance front (net) we registered a growth of 23% vis a vis 16% industry (without merger). Gold, Retail ex gold and SME did well in the quarter with a YoY growth of 23%, 44% and 28% respectively. Effective fund management duly factoring the cost considerations helped us to maintain a NIM of above 5% for Q3 and the 9 months ended 31.12.23. All other key ratios like, CRAR, RoA, NPA ratios etc continue to be strong

SBS journey got the much needed booster when we kick started the CBS migration project in the bank. A detailed blue print has been prepared for the implementation and we are progressing there. Once the products/processes stabilizes post the new CBS roll out, our customer acquisition pace will go up significantly and will lay a stronger foundation for the scale phase. Our vision is to transform from a small bank to a mid-sized bank by FY 2030 and the entire team is working passionately for making this a reality.

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 and increasing our branch network in other states. 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 753 branches (excluding three service branches and three asset recovery branches) and 634 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.

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