

## **PRESS RELEASE**

### **CSB Bank- First Quarter Results (Q1 FY 23)**

The Board of Directors of CSB Bank took on record the financial results for the quarter ended 30.06.2022 (Q1 FY 2023) which were subject to limited review in their meeting dated 21.07.2022

### **Highlights**

- a) **Profit After Tax** is at Rs 114.52 Cr in Q 1 FY 23 as against Rs 61.00 Cr in Q 1 FY 22 and Rs 130.67 Cr for the sequential quarter. Net profit increased by 88% YoY basis. We continue to maintain the Covid related additional provisions during this quarter as well. Return on Assets improved from 1.03% in Q1FY22 to 1.75% as on Q1 FY23 while Return on Equity improved from 12.65% to 18.57%.
- b) **Credit Costs:** Credit costs continue to negative for the current quarter. Due to the decent recoveries made during Q1 FY 23, we had a net NPA provision reversal as on 30.06.2022.
- c) **Operating Profit** of the bank is Rs 154.72 Cr whereas it was Rs 142.05 Cr in Q4 FY 22 ie, up by 9%. The operating profit for Q1 FY 22 was Rs 174.74 Cr
- d) **Net Interest Income (NII)** earned for the first quarter is Rs 310.69 Cr with a Y-o-Y increase of 16% (Rs 267.75 Cr for Q1 FY 22). QoQ there is an increase of Rs 7 Crore.
- e) **Non-Interest Income** for Q1 FY 23 is at Rs 54.85 Cr as against Rs 71.24 Cr for the same period last year. The treasury income was down by Rs 12 Crs on a YoY basis due to the adverse yield movements.
- f) **Cost Income Ratio:** As compared to Q4 FY 22(61.34%), the ratio has improved to 57.67% for the first quarter of FY 23. The same was at 48.45% for Q1 FY 22. On a YoY basis, there is higher cost impact on account of increase in staff cost, rent and other admin costs of newly opened branches etc.
- g) **Asset Quality & Provisioning**

Net NPA has fallen below Rs 100 crore mark and the PCR is now above 90%.

Particulars	Q1 FY 23	Q1 FY 22	Q4 FY 22
Gross NPA	293.00	686.39	290.00
Gross NPA %	1.79%	4.88%	1.81%
Net NPA	96.75	443.75	107.00
Net NPA %	0.60%	3.21%	0.68%
Provisioning Coverage Ratio	90.51%	70.20%	89.65%

As on 30.06.2021, restructured advances as a percentage of total advances is only 0.63 %.

- g) **Capital Adequacy Ratio** is at 25.46% as on 30.06.2022, which is well above the regulatory requirement. Leverage ratio is at 9.27% as on 30.06.2022.
- h) **Book Value per Share** surged by 25% YoY from Rs 120/- to 151/-
- i) **Comfortable Liquidity Position.** Liquidity Coverage Ratio is at 147 %, which is well above the RBI requirement.
- j) **Total Deposits** grew by 9 % YoY and **CASA** ratio stood at 35.14% as on 30.06.2022 as against 33.09% as on 30.06.2021 and 33.66 % as on 31.03.2022

k) **Advances (Net)** grew by Rs 2,324.96 Crs to 16,142.14 Cr YoY registering a growth of 16.83%. Gold loan grew by an impressive 26.30% YoY and 8.17% QoQ.

#### Performance Highlights:

(Rs Crore)	Q1 FY23	Q1 FY22	Inc/Dec%	Q4 FY22	QoQ% Growth	FY 22
Interest Income	535.93	495.25	8.21%	519.56	3.15%	2,038.31
Interest Expense	225.24	227.50	-0.99%	215.73	4.41%	885.01
<b>Net Interest Income</b>	<b>310.69</b>	<b>267.75</b>	<b>16.04%</b>	<b>303.83</b>	<b>2.26%</b>	<b>1,153.30</b>
Treasury Profits	9.93	21.48	-53.78%	-1.22	-912.48%	11.50
Other Income	44.92	49.76	-9.72%	64.83	-30.71%	235.30
<b>Total Non-Interest Income</b>	<b>54.85</b>	<b>71.24</b>	<b>-23.00%</b>	<b>63.61</b>	<b>-13.77%</b>	<b>246.80</b>
<b>Net Operating Income</b>	<b>365.54</b>	<b>338.99</b>	<b>7.83%</b>	<b>367.43</b>	<b>-0.51%</b>	<b>1,400.10</b>
Staff Cost	122.21	97.21	25.72%	143.41	-14.78%	481.87
Other Opex	88.61	67.04	32.17%	81.97	8.10%	304.51
Total Opex	210.82	164.26	28.35%	225.38	-6.46%	786.38
<b>Operating Profit</b>	<b>154.72</b>	<b>174.74</b>	<b>-11.46%</b>	<b>142.05</b>	<b>8.92%</b>	<b>613.72</b>
Standard Asset Provision	1.88	-4.05		4.51		8.59
Other Provisions	-0.20	97.26		-38.61		-9.10
Provisions other than Tax	1.68	93.22		-34.10		-0.51
PBT	153.04	81.52		176.15		614.23
Tax	38.52	20.52		45.48		155.74
<b>PAT</b>	<b>114.52</b>	<b>61.00</b>	<b>87.73%</b>	<b>130.67</b>	<b>-12.36%</b>	<b>458.49</b>
Deposits	20,266.77	18,652.80	8.65%	20,188.30	0.39%	20,188.30
Advances(Net)	16,142.14	13,817.17	16.83%	15,814.68	2.07%	15,814.68
CASA	7,121.88	6,171.71	15.40%	6,795.17	4.81%	6,795.17
Gold	7,107.00	5,627.00	26.30%	6,570.00	8.17%	6,570.00
CASA%	35.14%	33.09%	2.05%	33.66%	1.48%	33.66%

#### CEO Speak:

Speaking about the performance **Mr. Pralay Mondal, Managing Director & CEO** (Interim) said, “*Global headwinds notwithstanding, we are in the cusp of a steady revival in capex cycles of both public and private sectors which will have a multiplier effect throughout the economy. While our Q1 growth in advances has been powered mainly by gold loans, we are now witnessing spurt in demand for credit from SME and Mid Corporate sectors. We started well in the first quarter with a Net Profit of Rs 115 Crs posting 88% growth on a YoY basis. We continued to make accelerated provisions for stressed and NPA Accounts. The key ratios like NIM, CRAR, LCR, RoA, RoE etc continues to be strong and sanguine. On the recovery front also we did well with credit costs continuing to be negative while we have a PCR of above 90%.*

*As in the past, Gold loans will continue to be a major focus for the bank and we have grown by over 26% YoY. On the other retail front we are on track as per the expansion plans- we have launched a few new verticals, hiring is happening for a few others, product programs are being rolled out, policy level changes are made, systems are getting ready, tie ups are in pipeline and so on. Bolstering the core deposit franchise will also be high on our agenda in the coming quarters and the interest rate environment is very conducive for the same”*

### **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 604 branches (excluding three service branches and three asset recovery branches) and 495 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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