

B S R & Co. LLP
Chartered Accountants
14th Floor, Central Wing B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East),
Mumbai – 400 063

Mukund M. Chitale & Co.
Chartered Accountants
2nd Floor, Kapur house,
Paranjape B scheme Road No.1,
Vileparle (East)
Mumbai – 400 057

Limited review report on the unaudited quarterly financial results and year to date financial results of CSB Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors of
CSB Bank Limited**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of CSB Bank Limited (the 'Bank') for the quarter ended 30 September 2022 and year to date results for the period from 01 April 2022 to 30 September 2022 (the 'Statement'), being submitted by the Bank pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except for the disclosures relating to Pillar 3 as at 30 September 2022, including leverage Ratio, liquidity coverage ratio and net stable 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. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Financial Results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 101248W/W-100022



Vaibhav Shah
Partner
Membership No: 117377
ICAI UDIN: 22117377BAMWFO4295

Mumbai
21 October 2022

For **Mukund M. Chitale & Co.**
Chartered Accountants
ICAI Firm Registration Number: 106655W



Abhay V. Kamat
Partner
Membership No: 039585
ICAI UDIN: 22039585BAMWTE4620



Mumbai
21 October 2022



CSB Bank Limited

Regd. Office: 'CSB Bhavan', Post Box No. 502, St. Mary's College Road,
Thrissur – 680020, Kerala, India.
Tel: +91 487-2333020 | Fax: +91 487-2338764 |
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, 2022

(₹ in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest Earned (a) + (b) + (c) + (d)	55,518	53,593	49,585	1,09,111	99,110	2,03,832
(a) Interest / Discount on advances / bills	45,025	41,469	39,027	86,494	76,698	1,59,728
(b) Income on investments	9,656	11,343	8,684	20,999	18,919	38,092
(c) Interest on balances with RBI and other inter bank funds	285	549	1,464	834	2,684	4,652
(d) Others	552	232	410	784	809	1,360
2. Other Income	4,494	5,485	5,979	9,979	13,103	24,679
3. Total Income (1+2)	60,012	59,078	55,564	1,19,090	1,12,213	2,28,511
4. Interest Expended	23,021	22,524	21,747	45,545	44,497	88,501
5. Operating Expenses (i) + (ii) + (iii)	21,255	21,082	18,879	42,337	35,304	78,638
(i) Employees cost	12,900	12,221	11,916	25,121	21,637	48,187
(ii) Rent, taxes and lighting	2,327	2,253	1,785	4,580	3,580	8,019
(iii) Other operating expenses	6,028	6,608	5,178	12,636	10,087	22,432
6. Total Expenditure (4+5) (excluding provisions and contingencies)	44,276	43,606	40,626	87,882	79,801	1,67,139
7. Operating Profit before Provisions and Contingencies (3-6)	15,736	15,472	14,938	31,208	32,412	61,372
8. Provisions (other than tax) and Contingencies	(373)	168	(907)	(205)	8,415	(51)
Of which provisions for non-performing assets / write off	682	1,593	(615)	2,275	9,809	6,890
9. Exceptional Items	-	-	-	-	-	-
10. Profit from Ordinary Activities before Tax (7-8-9)	16,109	15,304	15,845	31,413	23,997	61,423
11. Tax Expense	4,054	3,852	3,988	7,906	6,040	15,574
12. Net Profit from Ordinary Activities after Tax (10-11)	12,055	11,452	11,857	23,507	17,957	45,849
13. Extraordinary Items (net of tax expense)	-	-	-	-	-	-
14. Net Profit for the period (12-13)	12,055	11,452	11,857	23,507	17,957	45,849
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						2,32,464
17. Analytical Ratios						
(i) Capital Adequacy Ratio (Basel-III)	25.14%	25.46%	20.12%	25.14%	20.12%	25.90%
(ii) Earnings per Share (EPS)*						
Basic EPS - before and after extraordinary items (in ₹)	6.95	6.60	6.83	13.55	10.35	26.43
Diluted EPS - before and after extraordinary items (in ₹)	6.95	6.60	6.83	13.55	10.35	26.43
(iii) NPA Ratios						
a) Gross NPA	29,104	29,301	58,683	29,104	58,683	28,951
Net NPA	9,886	9,675	37,006	9,886	37,006	10,699
b) % of Gross NPA	1.65%	1.79%	4.11%	1.65%	4.11%	1.81%
% of Net NPA	0.57%	0.60%	2.63%	0.57%	2.63%	0.68%
(iv) Return on Assets - Annualised	1.87%	1.75%	2.02%	1.81%	1.53%	1.90%

* Quarterly / Half yearly numbers are not Annualised



[Signature]

[Signature]



SEGMENT INFORMATION						
Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Segment Revenue:						
Treasury	9,473	11,968	11,311	21,441	25,460	48,162
Corporate/Wholesale Banking	12,912	14,269	14,195	27,181	26,337	50,937
Retail Banking	36,036	31,746	29,013	67,782	58,761	1,25,219
Other Banking Operations	1,591	1,095	1,045	2,686	1,655	4,193
Unallocated	-	-	-	-	-	-
Total Revenue	60,012	59,078	55,564	1,19,090	1,12,213	2,28,511
Less: Inter segment revenue	-	-	-	-	-	-
Income from operations	60,012	59,078	55,564	1,19,090	1,12,213	2,28,511
Segment Results (Net of provisions):						
Treasury	1,709	1,869	3,254	3,578	7,831	13,688
Corporate/Wholesale Banking	1,394	2,644	851	4,038	3,118	5,420
Retail Banking	12,389	10,425	11,535	22,814	12,529	40,539
Other Banking Operations	676	464	478	1,140	792	1,838
Unallocated	(59)	(98)	(273)	(157)	(273)	(62)
Profit Before Tax	16,109	15,304	15,845	31,413	23,997	61,423
Segment Assets:						
Treasury	6,32,230	7,35,763	7,28,069	6,32,230	7,28,069	7,72,298
Corporate/Wholesale Banking	5,98,318	5,65,538	5,67,212	5,98,318	5,67,212	5,88,497
Retail Banking	13,37,746	12,42,275	10,41,403	13,37,746	10,41,403	11,69,086
Other Banking Operations	1,166	1,008	939	1,166	939	1,047
Unallocated	4,898	4,898	4,835	4,898	4,835	4,699
Total	25,74,358	25,49,482	23,42,458	25,74,358	23,42,458	25,35,627
Segment Liabilities:						
Treasury	1,42,485	2,29,491	1,53,016	1,42,485	1,53,016	1,76,151
Corporate/Wholesale Banking	4,65,924	3,62,681	3,42,697	4,65,924	3,42,697	3,62,633
Retail Banking	16,76,814	16,80,447	16,10,301	16,76,814	16,10,301	17,31,601
Other Banking Operations	-	-	-	-	-	-
Unallocated	259	185	98	259	98	103
Total	22,85,482	22,72,804	21,06,112	22,85,482	21,06,112	22,70,488
Capital employed:						
(Segment Assets-Segment Liabilities)						
Treasury	4,89,745	5,06,272	5,75,053	4,89,745	5,75,053	5,96,147
Corporate/Wholesale Banking	1,32,394	2,02,857	2,24,515	1,32,394	2,24,515	2,25,864
Retail Banking	(3,39,067)	(4,38,172)	(5,68,897)	(3,39,067)	(5,68,897)	(5,62,515)
Other Banking Operations	1,166	1,008	939	1,166	939	1,046
Unallocated	4,638	4,713	4,736	4,638	4,736	4,597
Total	2,88,876	2,76,678	2,36,346	2,88,876	2,36,346	2,65,139

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 been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the Bank has not commenced DBU operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), reporting of Digital Banking segment will be implemented by the Bank based on the decision of the DBU Working Group.

3. Pursuant to Board approved policy on preparation of segment information, the Bank, with effect from quarter ended March 31, 2022, has regrouped some of the advances to Corporate from Retail in line with Basel III Capital regulations for more appropriate presentation of the segment results. Figures for the previous years have been regrouped / reclassified to conform to current period's classification.

4. The change in segment information has no impact on the overall Revenue, Results, and capital employed of the Bank for the current quarter / half year ended September 30, 2022 or the previous periods / year. However, had the Bank continued the same method of preparation of segment information as was adopted in previous periods, the segment revenue, segment results, segment assets, segment liabilities and capital employed would have been decreased/ (increased) by:

Segment Revenue:	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
Decreased/ (Increased)	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Treasury	-	-	-	-	-	-
Corporate/Wholesale Banking	-	-	(3,280)	-	(3,280)	-
Retail Banking	-	-	3,280	-	3,280	-
Other Banking Operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
Segment Results (Net of provisions):						
Decreased/ (Increased)	Quarter ended			Half Year ended		Year ended
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Treasury	-	-	-	-	-	-
Corporate/Wholesale Banking	-	-	(6,021)	-	(6,021)	-
Retail Banking	-	-	6,021	-	6,021	-
Other Banking Operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-



Segment Assets:	Quarter ended			Half Year ended		Year ended
Decreased/ (Increased)	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Treasury	-	-	-	-	-	-
Corporate/Wholesale Banking	-	-	(54,224)	-	(54,224)	-
Retail Banking	-	-	54,224	-	54,224	-
Other Banking Operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
Segment Liabilities:	Quarter ended			Half Year ended		Year ended
Decreased/ (Increased)	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Treasury	-	-	-	-	-	-
Corporate/Wholesale Banking	-	-	(570)	-	(570)	-
Retail Banking	-	-	570	-	570	-
Other Banking Operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
Capital employed:	Quarter ended			Half Year ended		Year ended
Decreased/ (Increased)	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(Segment Assets-Segment Liabilities)						
Treasury	-	-	-	-	-	-
Corporate/Wholesale Banking	-	-	(53,654)	-	(53,654)	-
Retail Banking	-	-	53,654	-	53,654	-
Other Banking Operations	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-

Notes:

1 Statement of Assets and Liabilities of the Bank as on September 30, 2022 is given below:

(₹ in lakh)

Particulars	As at 30.09.2022	As at 30.09.2021	As at 31.03.2022
	Unaudited	Unaudited	Audited
Capital and Liabilities			
Capital	17,354	17,354	17,354
Reserves and Surplus	2,71,522	2,18,992	2,47,786
Deposits	20,98,661	19,05,549	20,18,830
Borrowings	1,35,180	1,47,598	2,00,719
Other Liabilities and Provisions	51,641	52,965	50,938
Total	25,74,358	23,42,458	25,35,627
Assets			
Cash and Balances with Reserve Bank of India	1,47,958	2,20,803	94,824
Balances with Banks and money at call & short notice	15,102	21,728	62,552
Investments	5,73,439	5,83,639	7,01,162
Advances	17,46,833	14,07,011	15,81,468
Fixed Assets	28,906	27,819	28,786
Other Assets	62,120	81,458	66,835
Total	25,74,358	23,42,458	25,35,627



[Handwritten signature]

[Handwritten signature]

2 Statement of Cash Flow for the half year ended September 30, 2022 is given below:

(₹ in lakh)

Particulars	Half Year ended 30.09.2022	Half Year ended 30.09.2021
	Unaudited	Unaudited
A. Cash flows from operating activities		
Profit before income tax	31,413	23,997
Adjustments for:		
Depreciation on fixed assets	2,015	1,793
Provision for depreciation in value of investments	1,263	1,782
Provision towards non performing advances	2,275	9,809
Provision for Standard Assets	624	237
Loss / (-) Profit on Sale of Fixed Assets	5	(25)
Other Provisions and Contingencies	386	639
	37,981	38,232
Adjustments for:		
Decrease / (-) Increase in Investments (excluding Held to Maturity Investments)	1,49,844	(54,498)
(-) Increase / Decrease in Advances	(1,67,617)	26,933
Decrease / (-) Increase in Other Assets	1,774	(5,389)
Increase / (-) Decrease in Deposits	79,832	(8,455)
Decrease in Other Liabilities & Provisions	(103)	(6,612)
	1,01,711	(9,789)
Direct taxes paid (net of refunds)	(4,965)	(3,138)
Net cash flow from / (-) used in operating activities	96,746	(12,927)
Cash flows from investing activities:		
Purchase of fixed assets	(2,144)	(2,661)
Proceeds from sale of fixed assets	5	30
(-) Increase / Decrease in Held to Maturity Investments	(23,384)	81,676
Net cash flow (-) used in / from investing activities	(25,523)	79,045
Cash flows from financing activities		
Proceeds from issue of Equity Share Capital	-	-
(-) Repayment / Proceeds of Borrowings	(65,539)	5,006
Net cash flow (-) used in / from financing activities	(65,539)	5,006
Increase in cash and cash equivalents	5,684	71,124
Cash and Cash Equivalents at the Beginning of the Year	1,57,376	1,71,407
Cash and Cash Equivalents at the End of the half Year	1,63,060	2,42,531

3 The above unaudited financial results for the quarter and half year ended September 30, 2022 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors of the Bank in their respective meeting held on October 21, 2022. These results have been subjected to limited review by the Joint Statutory Auditors of the Bank, viz, B S R & Co. LLP, Chartered Accountants and Mukund M. Chitale & Co., Chartered Accountants and an unqualified review report has been issued.

4 The above unaudited financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the guidelines issued by the Reserve Bank of India (RBI) from time to time.

5 The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022. Any circular / direction issued by RBI is implemented prospectively when it becomes applicable.

6 The working results have been arrived at after considering the provision for standard assets including requirements for exposures to entities with Unhedged Foreign Currency Exposures, Non Performing Assets, depreciation on investments, income tax and other usual and necessary provisions.

7 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.

8 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.

9 During the quarter and half year ended September 30, 2022, the Bank has not issued equity shares under the Employee Stock Option Scheme.

10 The Covid-19 pandemic impacted economic activity during the last two fiscal years. Currently, while the number of new Covid-19 cases have reduced significantly and the Government of India has withdrawn Covid-19 related restrictions, the future trajectory of the pandemic may have an impact on the results of the Bank. The Bank holds 'Contingency Provision for any Credit Loss Contingencies' of ₹10,592.00 Lakhs as at September 30, 2022.



11 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	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 borrower during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan- Position as at the end of this half year
Personal Loans	2,778.57	713.14	-	614.03	1,489.12
Corporate Persons of which MSMEs					
Others					
Total	2,778.57	713.14	-	614.03	1,489.12

12 Details of loans transferred / acquired during the Quarter ended September 30, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) The Bank has not transferred any Non Performing Assets(NPA), Special Mention Accounts (SMA) and Loans not in default during the Quarter

(ii) Details of loans not in default acquired through assignment during the Quarter are given below:

Aggregate amount of loans acquired (₹ in Lakhs)	23,063
Weighted average residual maturity (in months)	19.20
Weighted average holding period by originator (in months)	3.40
Retention of beneficial economic interest by the originator	10%
Tangible security coverage	100%

The loans acquired are not rated as these are to non-corporate borrowers.

(iii) The Bank has not acquired any stressed loans during the Quarter

(iv) During the quarter ended September 30, 2022, the bank has not transferred any stressed loans to Asset Reconstruction Companies (ARC).

13 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-2/basel-3-disclosures>. These disclosures have not been subjected to audit or limited review by the Joint Statutory Auditors of the Bank.

14 The figures for the second quarter in each of the financial years are the balancing figures between reviewed figures in respect of the half year end and the reviewed published year to date figures up to the end of the first quarter of the respective financial years.

15 Board at its meeting held on 15th September 2022, elevated and appointed Mr. Pralay Mondal, Deputy Managing Director, as the Managing Director and CEO of the Bank for a period of three (3) years with effect from September 15th, 2022.

16 Previous period's figures have been regrouped / reclassified, where necessary to conform to current period's classification and also the amounts / ratios for the previous period have been regrouped / reclassified pursuant to the requirements of Master Direction on Financial Statements - Presentation and Disclosures issued by Reserve Bank of India dated August 30, 2021, as amended and wherever considered necessary.

Place: Mumbai
Date: October 21, 2022

For and on behalf of the Board



Pralay Mondal
Managing Director & CEO
DIN: 00117994



62

