



CSB Bank

Investor Presentation

Q1 FY 22

Company Overview

Business Overview

Earnings

Digital Penetration

Strategy

Key Information

Improved Profitability

*PAT of Rs 61 Cr -up by 42% QoQ and 14% YoY

*PBT up by 41% QoQ and 14% YoY

*Operating Profit surges to Rs 180 Cr -up by 39% on QoQ and YoY basis

Cost and Revenue

* NII growth of 45% YoY

*Non interest income up by 3% YoY

* Non interest income excluding treasury profit up by 84% YoY

Growth Momentum

*Advances grew by 23% YoY

*Deposits grew by 14% YoY

*CASA Ratio reached to 33%

* Digital Penetration increases to 86%

Well Capitalised & Strong Liquidity Position

*Strong capital comfort with a CRAR of 21.63% as on 30.06.2021

*Tier I ratio of 20.24%

*Strong liquidity & LCR of 171%

*Comfortable leverage ratio 8.37%

Asset Quality

*GNPA ratio of 4.88% as on 30.06.2021

*Net NPA ratio of 3.21% as on 30.06.2021

*PCR of 70% as on 30.06.2021

- A century young Organisation
- 517 Branches & 335 ATMs/CRMs
- 9 Zonal Offices
- 1.7Mn+ happy customers
- Presence in 16 states & 4 UTs
- Total business of Over Rs 33500 Cr
- 6 bancassurance tie ups with industry leaders.

Company Overview

Business Overview

Earnings

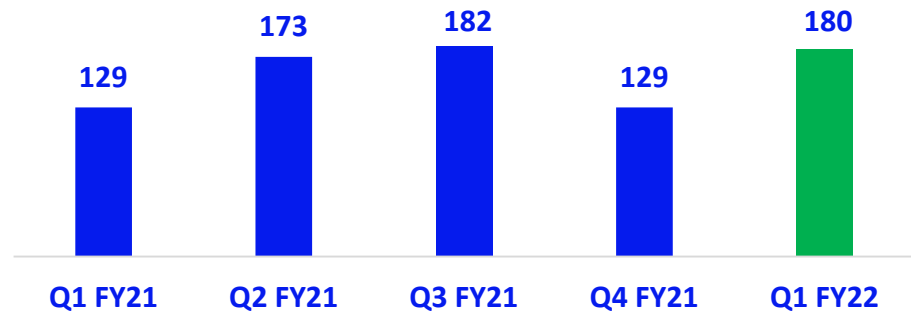
Digital Penetration

Strategy

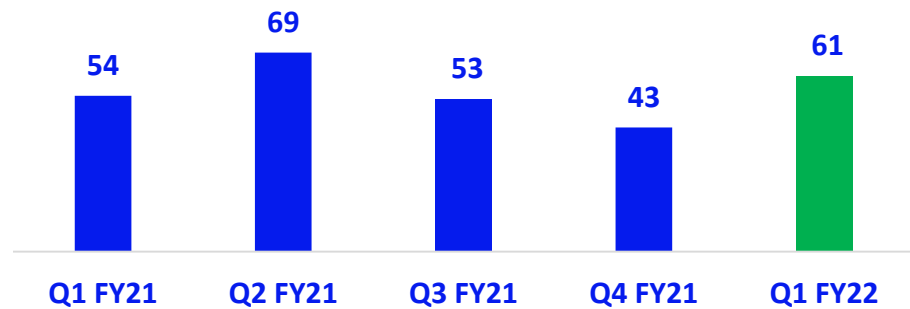
Profitability Ratios

Amt in Cr

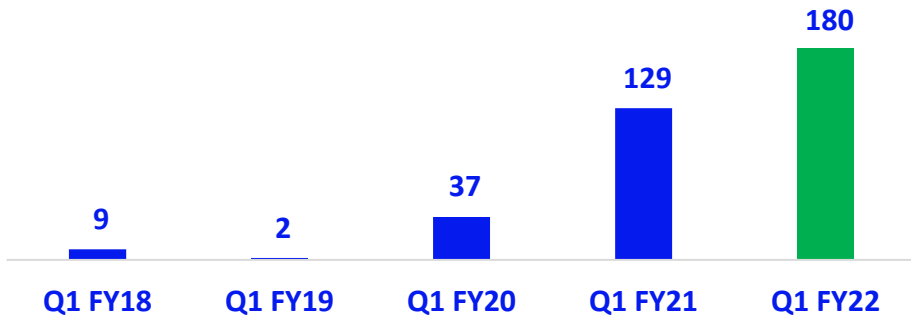
Operating Profit QoQ



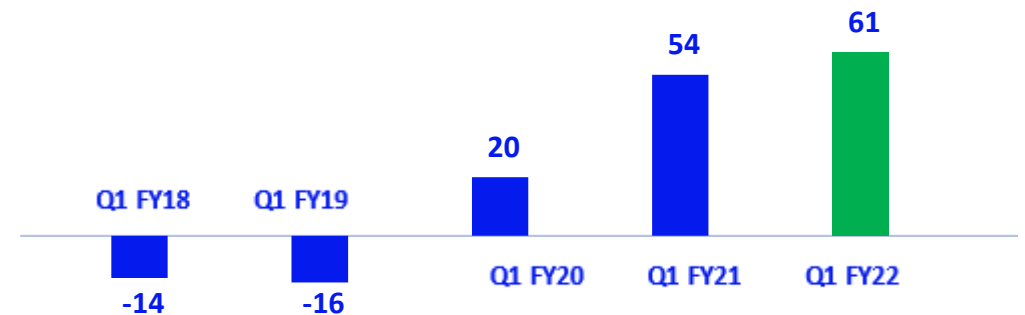
Net Profit QoQ



Operating Profit YoY



Net Profit YoY



Prudential Provisioning Policy

	Asset Classification	RBI Norms	Our Norms
NPA Provision	Sub Standard Assets	Secured	15%
		Unsecured	25%
	Doubtful Assets (Up to one year)	Secured	25%
		Unsecured	100%
	Doubtful Assets (One to three years)	Secured (1st Year)	40%
		Secured (2 nd Year)	40%
		Unsecured	100%
	Doubtful Assets (More than three years)	Secured/Unsecured	100%
	Loss Assets	Secured/Unsecured	100%

	RBI Norms	Accounting Treatment
Other Provisions	Provisions for Standard Assets	<ul style="list-style-type: none"> • 0.25% to 1% based on the nature of advance • Provided as per RBI Norms • Additional provisioning buffer created in view of the COVID scenario
	Provisions for Security Receipts	<p>Depreciation can be netted with appreciation of individual scrips in the same category</p> <p>Appreciation of individual scrips not netted</p>

Prudential Provisions in excess of RBI requirement

	Amount (in Cr)
NPA Provision	188
Additional Std asset provision	104
SR Provision	6
Total	298
After Tax Impact	223

Company Overview

Business Overview

Earnings

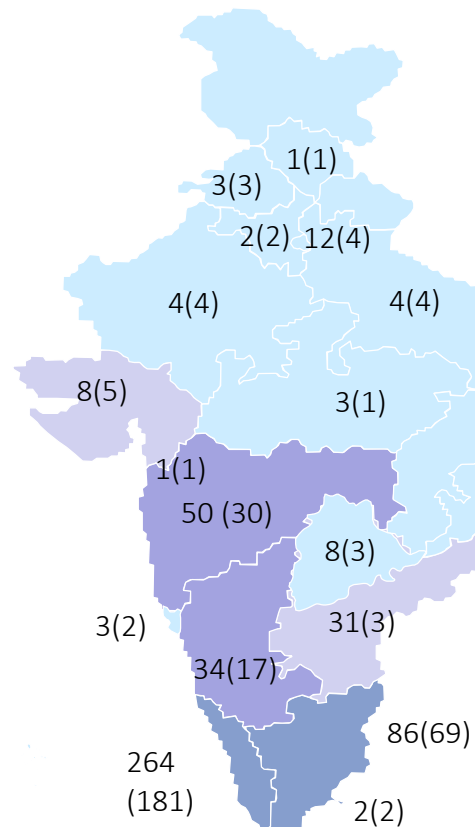
Digital Penetration

Strategy

Branch Distribution

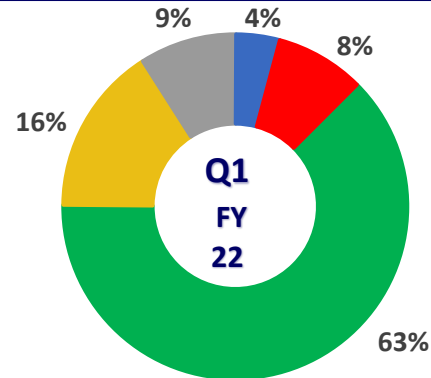
State	% distribution
KERALA	51%
TAMIL NADU	16%
MAHARASHTRA	10%
KARNATAKA	7%
OTHERS	16%

Population	No of Branches
Metropolitan	99
Urban	111
Semi-urban	266
Rural	41
Grand Total	517

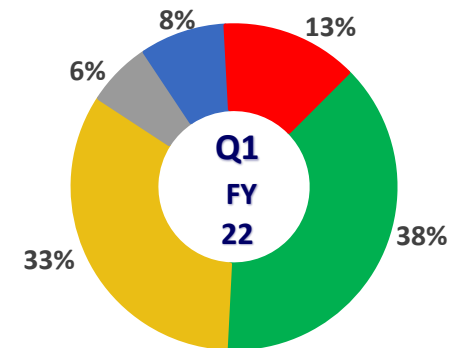


Legend: Branches (ATM)

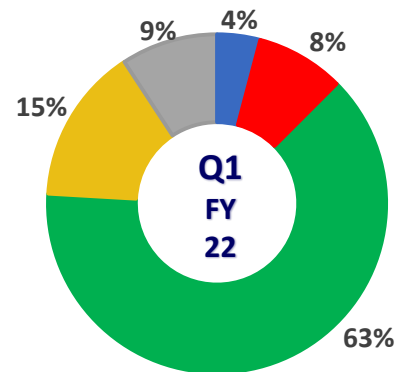
CASA



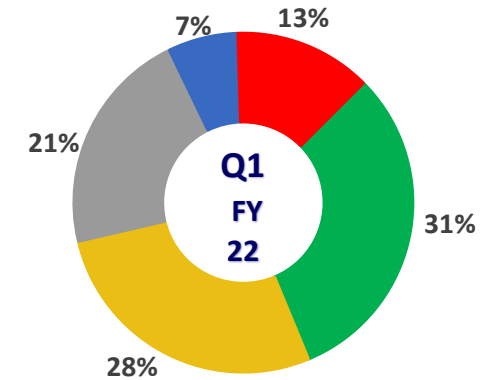
Gold Loans



Total Deposits



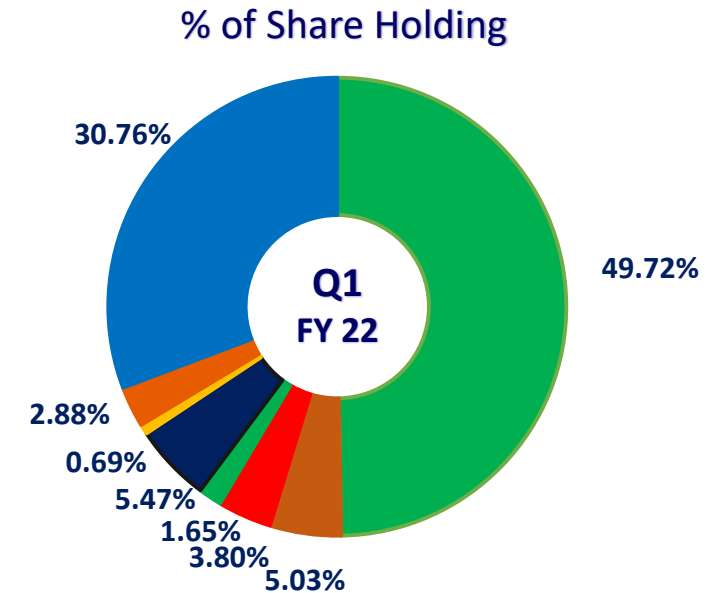
Total Advances



Kerala Tamilnadu Maharashtra Karnataka Others

Share Holding Pattern

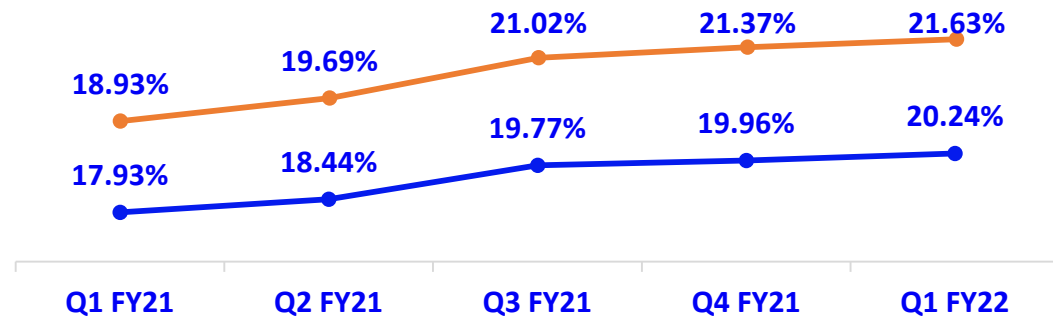
Category	No of Shareholders	No of Shares Held(in Mio)	% of Holding
FIHM - promoter & Promoter Group	1	86.26	49.72%
SBI Mutual Funds	1	8.72	5.03%
Other Mutual Funds	8	6.59	3.80%
Alternate Investment Funds	4	2.86	1.65%
Foreign Portfolio Investors	13	9.5	5.47%
Fis/ banks/ Insurance Companies	2	1.2	0.69%
Shares held by CSB ESOS Trust	1	5	2.88%
Others	47103	53.36	30.76%
Total	47133	173.49	100.00%



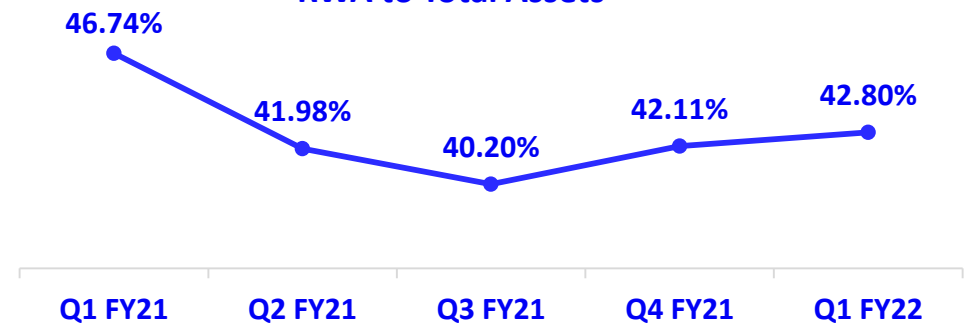
Solid CRAR & Adequate Liquidity – Our Strength

Amt in Cr

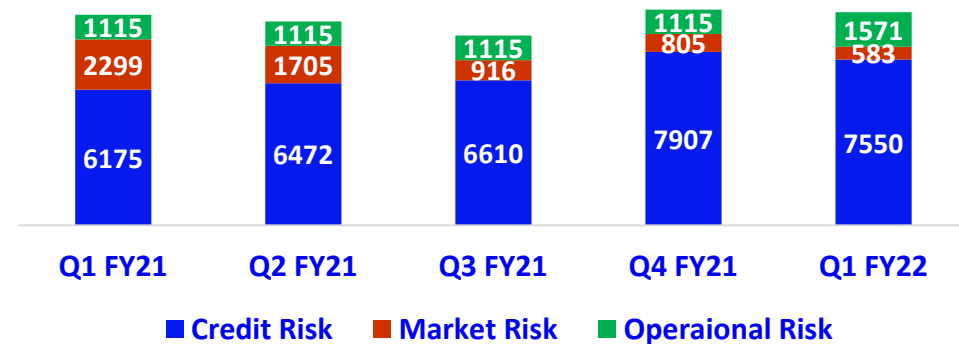
Capital Adequacy Ratio



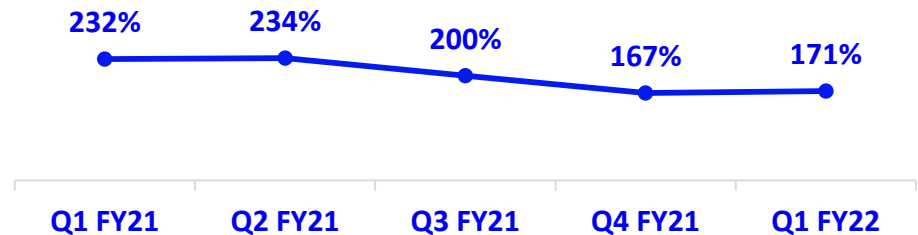
RWA to Total Assets



Risk Weighted Assets



Liquidity Coverage Ratio



Company Overview

Business Overview

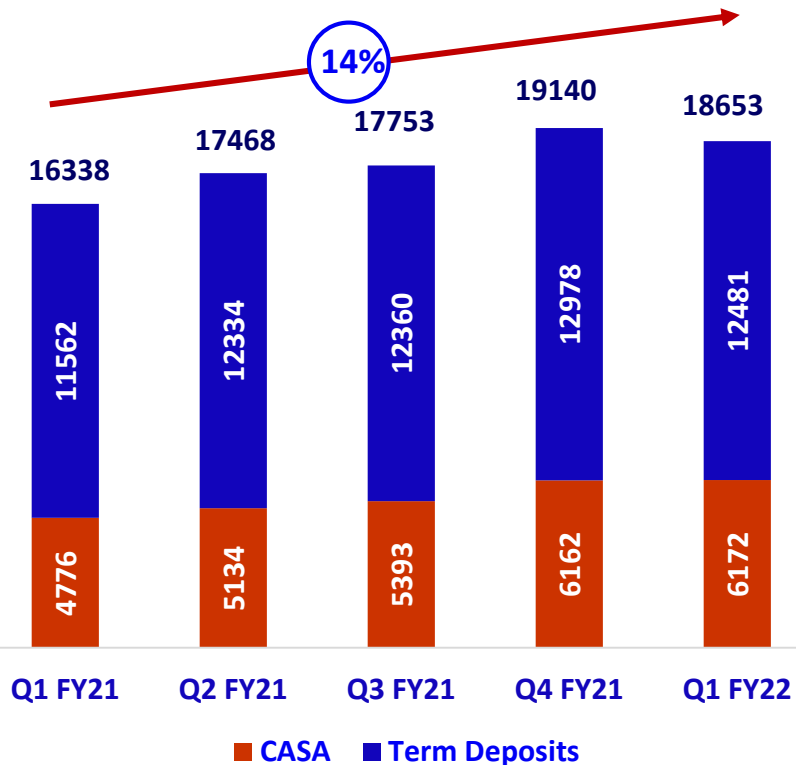
Earnings

Digital Penetration

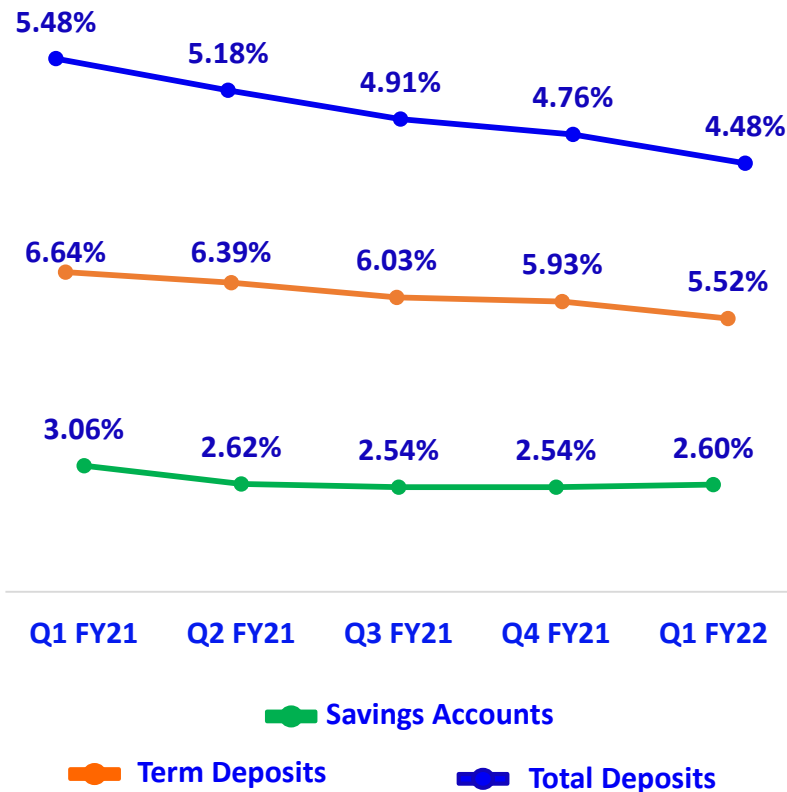
Strategy

Total Deposits

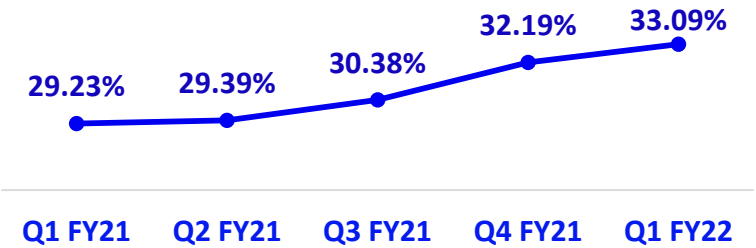
(Amt in Cr)



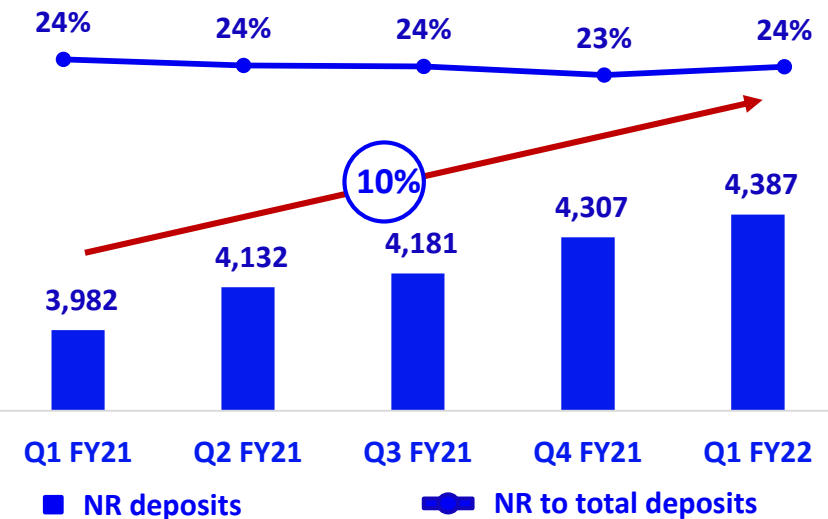
Cost of Deposits



CASA Ratio



NR Deposits



Company Overview

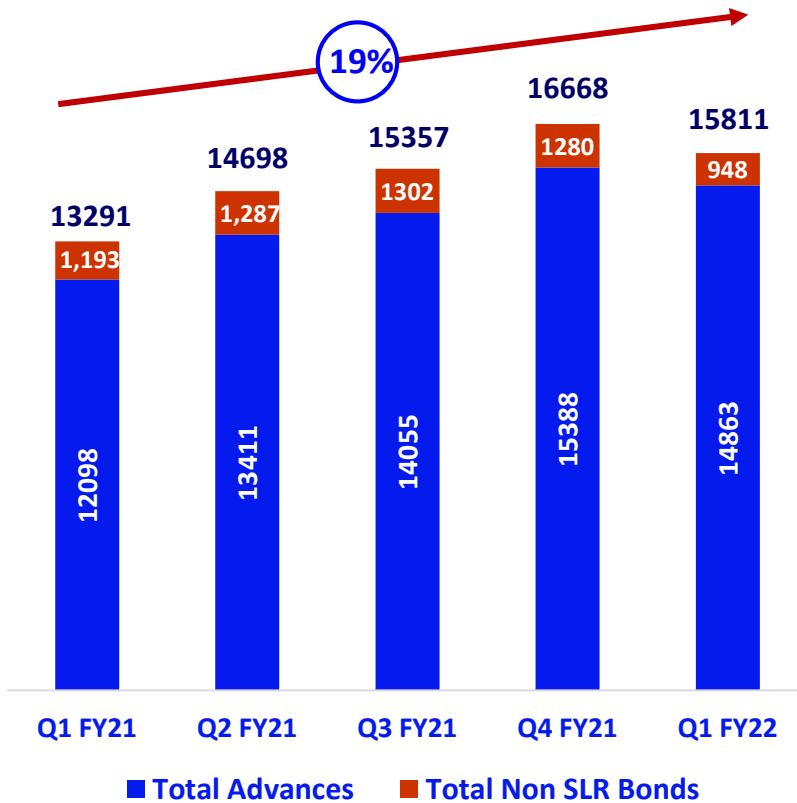
Business Overview

Earnings

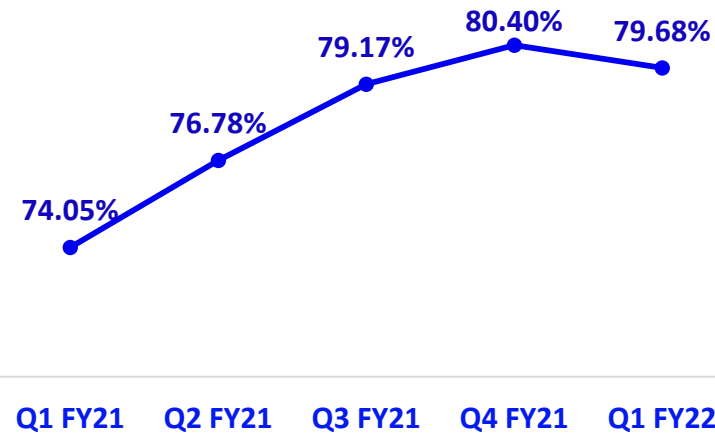
Digital Penetration

Strategy

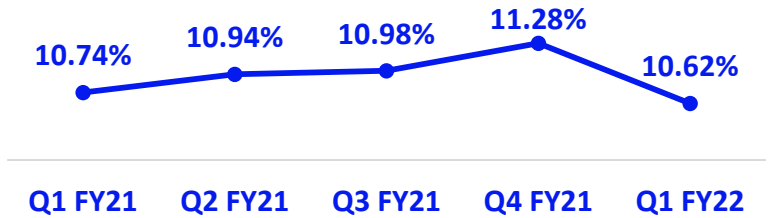
Total Gross Advances + Non SLR Bonds (Amt in Cr)



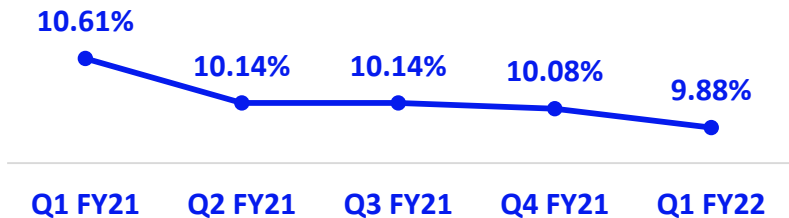
Gross CD Ratio



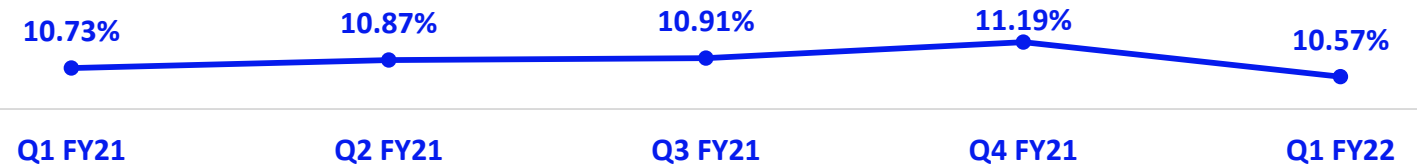
Yield on Advances



Yield on Non SLR Bonds



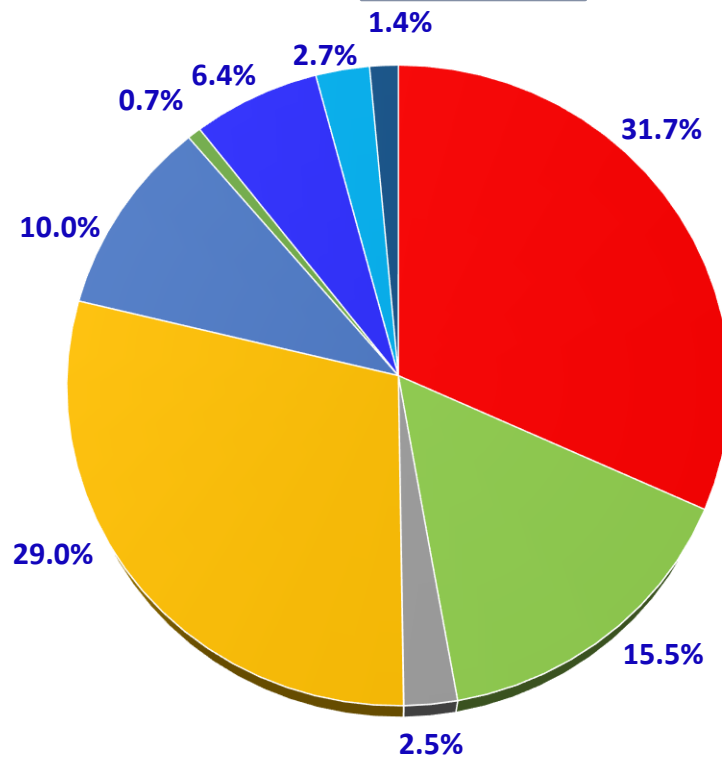
Combined Yield



Advance Mix

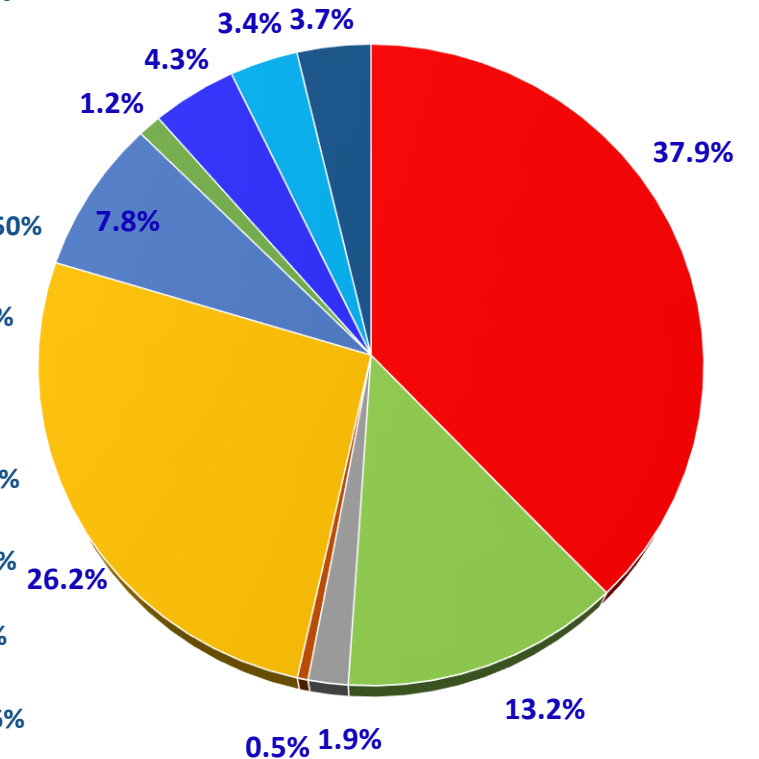
(Amt in Cr)

Q1 FY 21



3840	Gold Loans	5627	↑ 47%
1874	SME Loans	1959	↑ 5%
304	MSME General Loans	278	↓ 9%
2	MSME New Loans	75	↑ 3650%
3509	Corporate Loans	3900	↑ 11%
1209	Retail Loans	1162	↓ 4%
83	Two Wheeler Loans	173	↑ 108%
775	Assignment Loans	632	↓ 19%
328	LCBD & TReDS	507	↑ 55%
174	Agri & MFI Loans	550	↑ 216%

Q1 FY 22

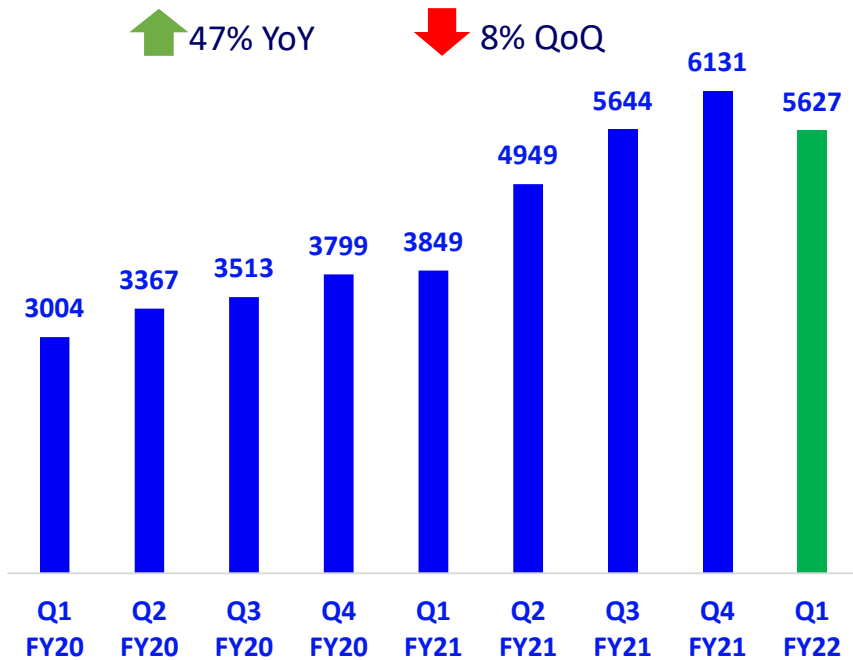


* Vertical wise portfolios are Realigned at the beginning of the FY.

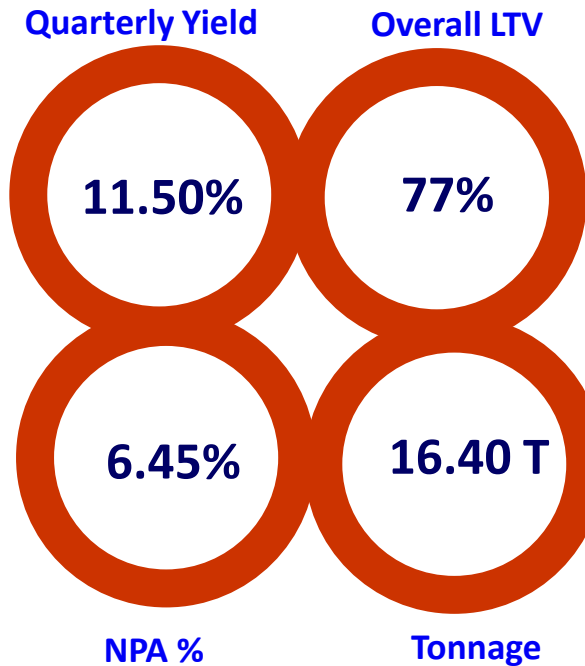
Gold Loan – Our DNA

(Amt in Cr)

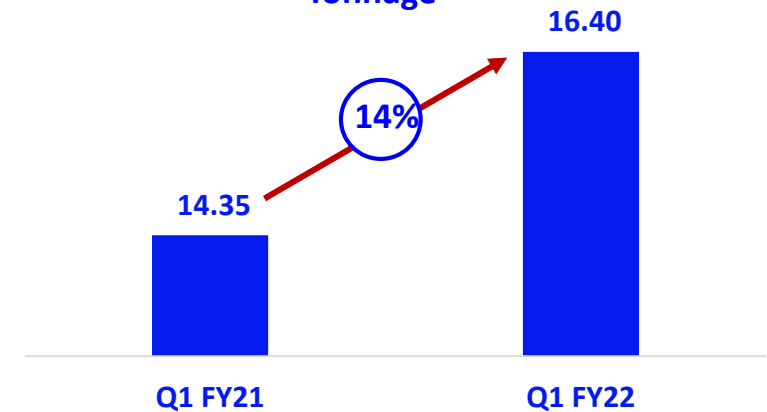
Portfolio Movements



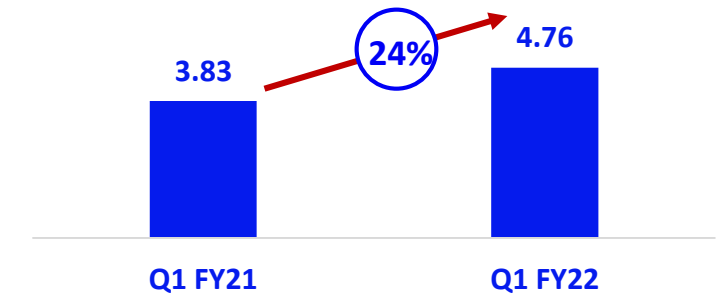
Portfolio Quality



Tonnage

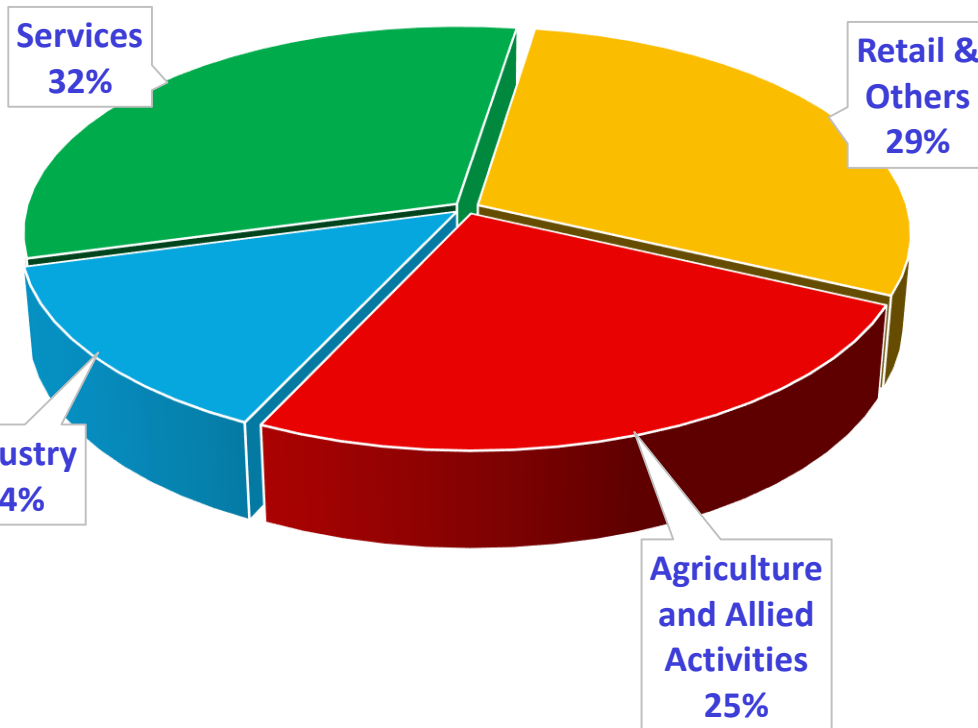


No of Accounts (in Lakhs)



Sector Wise Exposure

Sector Wise Exposure



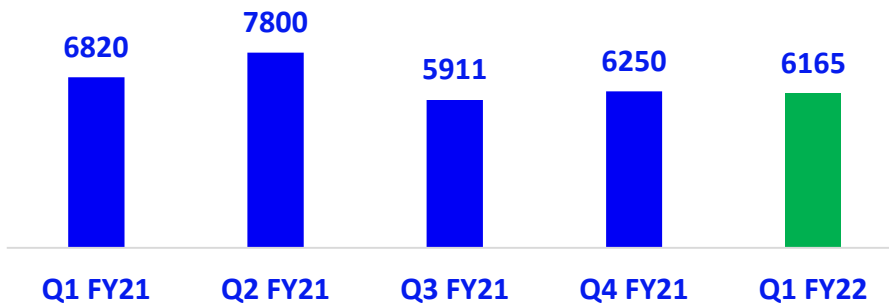
Industries	% to Gross advances
Textiles	3.28%
Food Processing	2.63%
Infrastructure	1.81%
Construction	1.56%
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	1.02%
Vehicles, Vehicle Parts and Transport Equipments	0.68%
All Engineering	0.48%
Chemicals and Chemical Products (Dyes, Paints, etc	0.38%
Basic Metal and Metal Products	0.32%
Paper and Paper Products	0.26%
Gems and Jewellery	0.24%
Beverages (excluding Tea & Coffee) and Tobacco	0.16%
Wood and Wood Products	0.15%
Others	0.73%

Services	% to Gross advances
NBFCs	9.75%
Wholesale & Retail Trade	5.23%
Tourism, Hotel and Restaurants	2.86%
Commercial Real Estate	2.58%
Computer Software	0.48%
Transport Operators	0.36%
Professional Services	0.15%
Other Services	10.04%

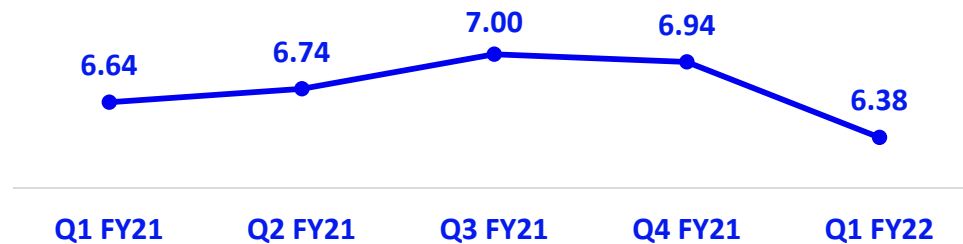
Investments

(Amt in Cr)

Total Investments (Excl RIDF)



Yield on Investments (%)

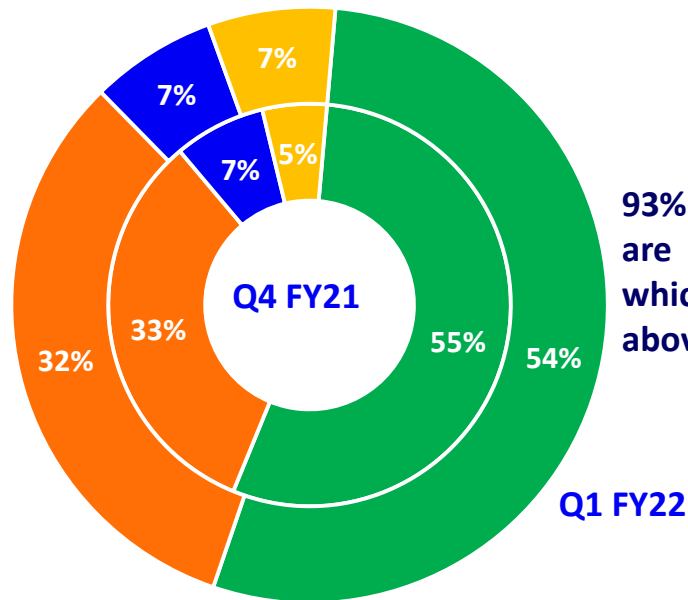


M Duration

HFT	AFS	HTM	Total
0.00%	0.55%	5.62%	3.81%

Rating wise Exposure

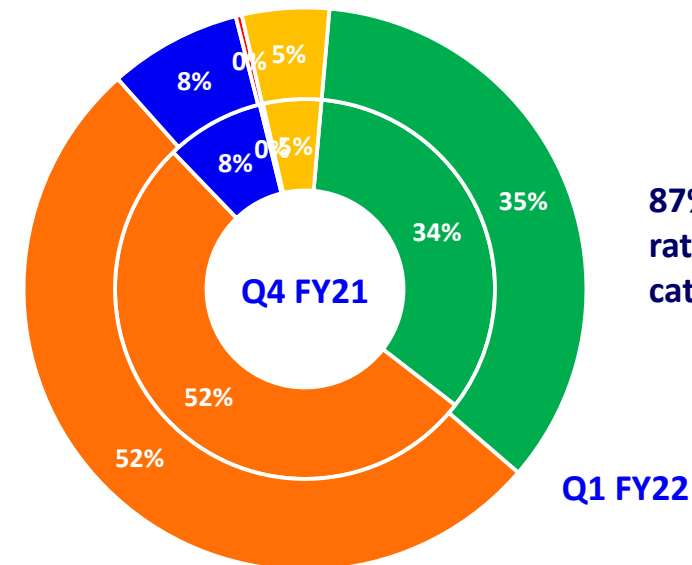
External Rating of Corporate Accounts (>25Cr)



93% of Corporate advances are externally rated of which 54% are having A & above rating.

■ A & Above ■ BBB ■ <BBB ■ Others

Internal Rating of SME accounts



87% of SME advances are rated as Low/Medium risk categories

■ Low ■ Medium ■ High ■ Very High ■ Others

Profit & Loss Account - Q1 FY 22

Amt in Cr

	Q4FY21	Q1FY22	QoQ	Q1FY21	YoY
Interest Income	497.1	495.3	-0.4%	422.6	17.2%
Interest Expense	221.4	227.5	2.7%	237.3	-4.1%
Net Interest Income	275.7	267.8	-2.9%	185.3	44.5%
Treasury Profit	1.5	19.5	1190.6%	43.5	-55.1%
Commission Income	15.9	9.7	-39.4%	5.6	72.4%
Processing Fees	18.2	9.1	-49.9%	6.5	40.0%
Bad debts recovered	30.8	7.0	-77.3%	9.7	-27.9%
Other Income	45.9	31.0	-32.5%	9.0	244.6%
Total Non Interest Income	112.3	76.3	-32.1%	74.3	2.7%
Total Net Operating Income	388.0	344.0	-11.3%	259.5	32.6%
Staff Cost	178.6	97.2	-45.6%	86.0	13.0%
Other Opex	80.4	67.0	-16.6%	44.4	50.9%
Total Opex	259.1	164.3	-36.6%	130.4	25.9%
Operating Profit/Loss	129.0	179.8	39.4%	129.1	39.3%

	Q4FY21	Q1FY22	QoQ	Q1FY21	YoY
Operating Profit	129.0	179.8	39.4%	129.1	39.3%
Provision for NPA	90.6	104.2	15.0%	13.8	657.7%
Provision for Dep on Inv	17.7	-1.9	-110.9%	0.5	-
Provision for std advances	-37.1	-4.0	-	43.1	-
Other Provisions	-0.3	-	-	0.2	-
Total Provisions	70.9	98.3	38.5%	57.5	70.8%
Profit Before Tax	58.0	81.5	40.5%	71.6	13.9%
Tax	15.1	20.5	35.7%	18.0	14.0%
Profit/Loss (-) After Tax	42.9	61.0	42.2%	53.6	13.9%

- NII up by 45% YoY & 3% down QoQ (Gold Loan NPA - Interest reversal of Rs 24Cr in Q1 FY22)
- Treasury profit down by 55% YoY – Non interest income excluding treasury profit up by 84%
- Staff Cost increased by 13% YoY – No of employees increased by 36%
- Other Opex up by 51% YoY due to increase in Rent, depreciation etc.
- Operating profit of Rs 180 Cr as on Q1 FY 22 - up by 39% YoY & QoQ
- Net profit of Rs 61 Cr which is higher than Q1FY21 & previous quarter

Company Overview

Business Overview

Earnings

Digital Penetration

Strategy

Balance Sheet – Q1 FY 22

Amt in Cr

30.06.2020

30.06.2021

YoY (%)

31.03.2021

QoQ (%)

Liabilities

Capital	173.5	173.5	0.0%	173.5	0.0%
Reserves & Surplus	1,840.7	2,069.5	12.4%	2,006.7	3.1%
Deposits	16,337.9	18,652.8	14.2%	19,140.0	-2.5%
Of Which CASA	4,775.6	6,171.7	29.2%	6,161.8	0.2%
Borrowings	1,628.0	1,313.5	-19.3%	1,425.9	-7.9%
Other Liabilities & Provisions	536.3	462.4	-13.8%	591.2	-21.8%
Total	20,516.5	22,671.7	10.50%	23,337.4	-2.85%

Assets

Cash & Balance with RBI	555.6	860.2	54.8%	736.1	16.9%
Balance with Banks Money at call & Short Notice	754.1	681.1	-9.7%	977.9	-30.3%
Investments	6,718.7	6,054.7	-9.9%	6,126.0	-1.2%
Advances	11,228.6	13,817.2	23.1%	14,438.1	-4.3%
Fixed Assets	226.9	271.3	19.6%	269.5	0.7%
Other Assets	1,032.6	987.1	-4.4%	789.7	25.0%
Total	20,516.5	22,671.7	10.50%	23,337.4	-2.85%

Asset Quality

Amt in Cr

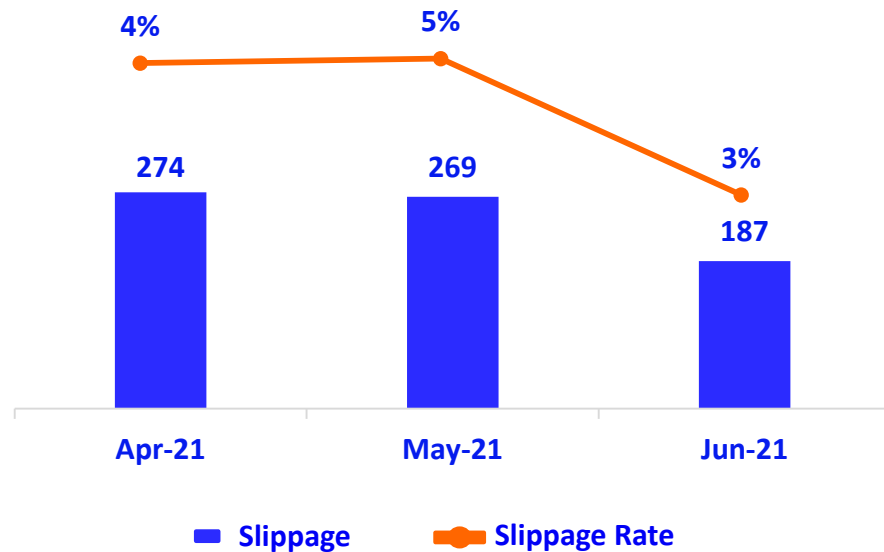
Gross NPA: Movement	QoQ movement				
	Q1FY21 (3 months)	Q2 FY21 (3 months)	Q3 FY21 (3 months)	Q4 FY21 (3 months)	Q1 FY22 (3 months)
Opening Balance of Gross NPA	409	401	387	235	393
Additions	6	4	-	188	435*
Sub-total (A)	415	405	388	423	829
Less:-					
(i) Upgradations	6	2	3	2	20
(ii) Recoveries (excluding recoveries made from upgraded accounts)	7	15	15	26	36
(iii) Technical/ Prudential Write-offs	-	-	134	-	86
(iv) Write-offs other than those under (iii) above	-	1	1	2	-
Sub-total (B)	14	17	153	29	142
Closing balance of Gross NPA (A – B)	401	387	235	393	686

*Of which Gold loans - Rs 337Cr

Gold Loans – Asset Quality

Amt in Cr

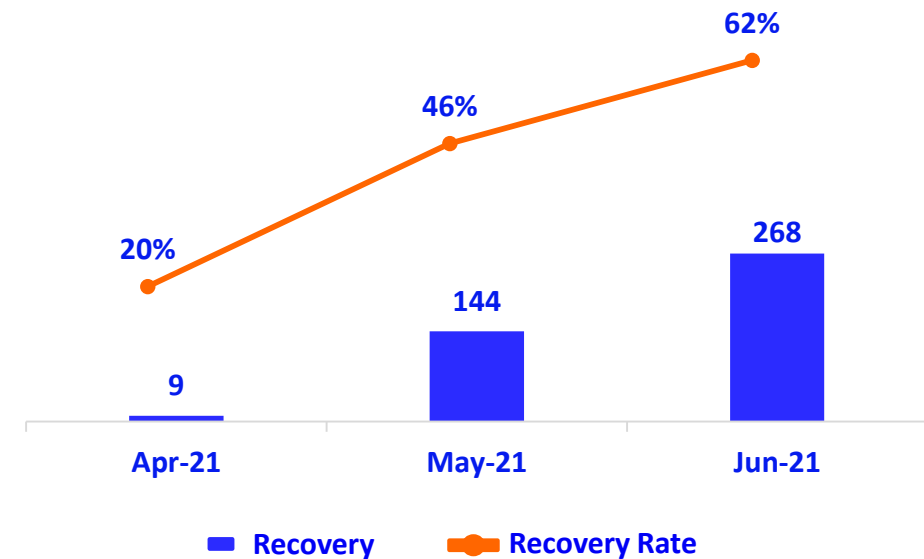
Slippages - MoM Trends



Slippage ↓ Month on Month

Recovery ↑ Month on Month

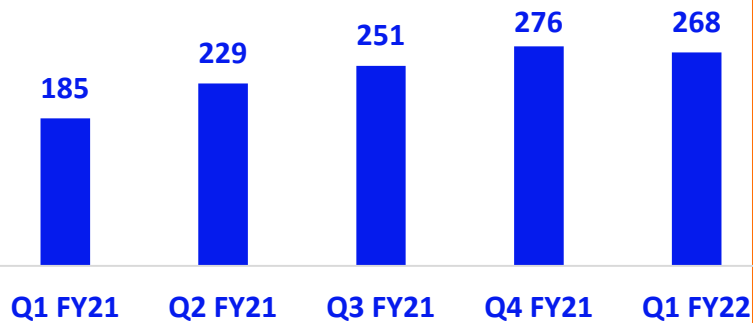
Recovery - MoM Trends



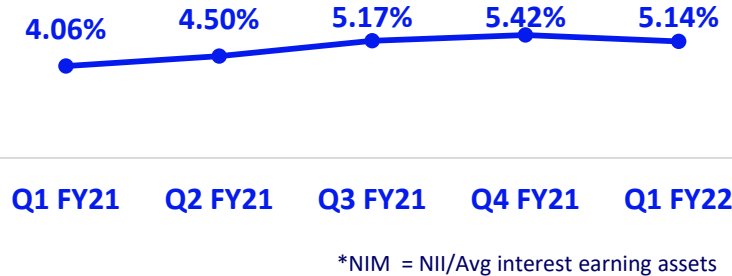
- Downward trend in slippages with the easing of Covid related restrictions
- Stable gold market trends and the centralization of recovery processes is supporting collections.
- Centralisation includes - Dedicated call center, E-auction, Offsite Verification, Customer intimation

Profitability Ratios

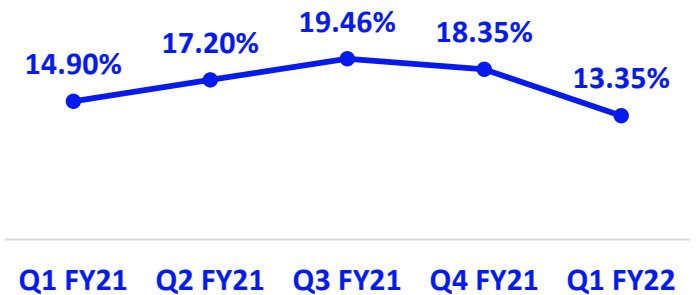
Net Interest Income (in Cr)



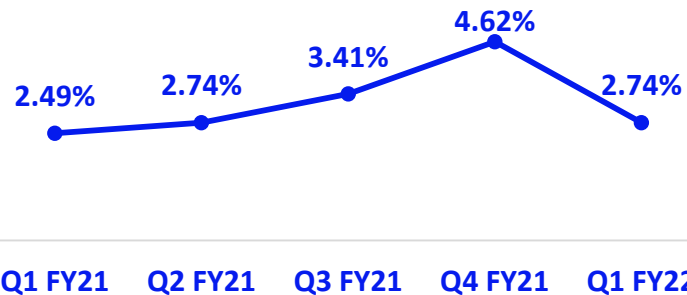
NIM (Annualised)



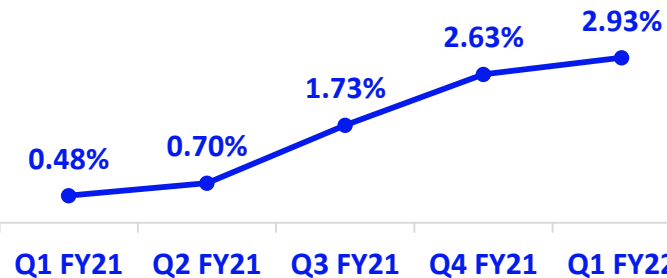
Non interest Income to Total Income



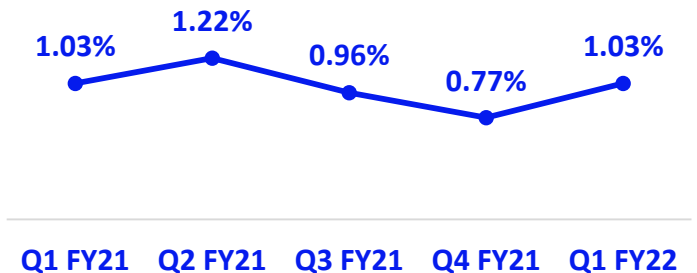
Opex to Average assets (Annualised)



Credit Cost (Annualised)



RoA (Annualised)

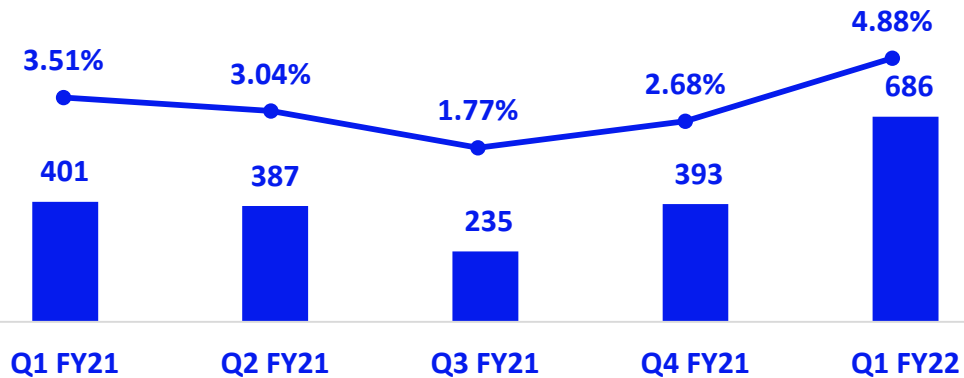


Asset Quality Ratios

Amt in Cr

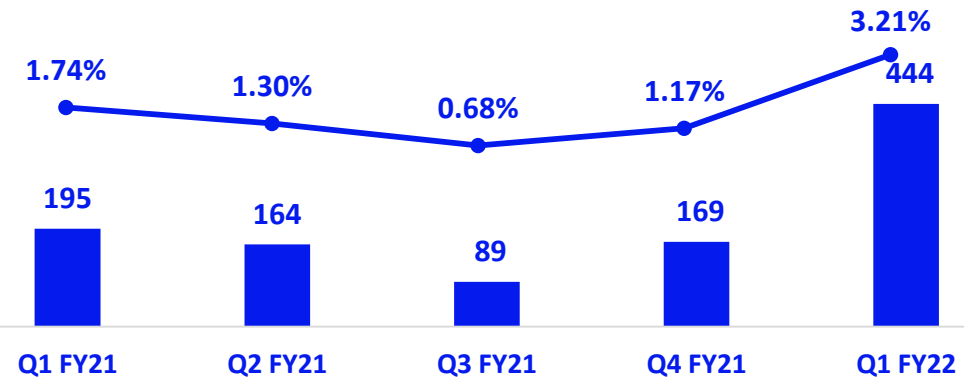
■ Gross NPA

— Gross NPA %

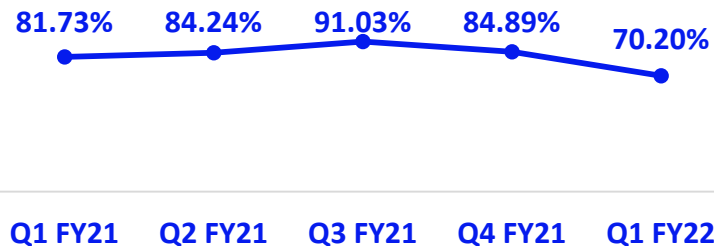


■ Net NPA

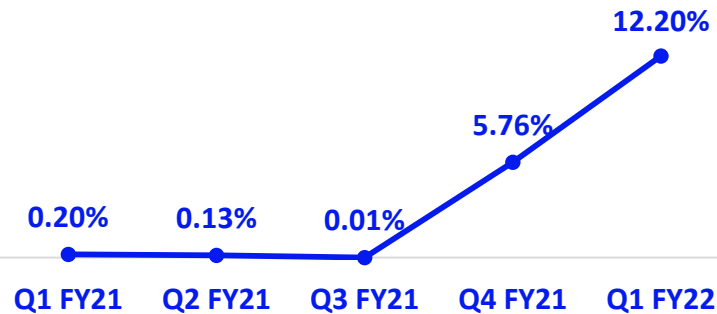
— Net NPA %



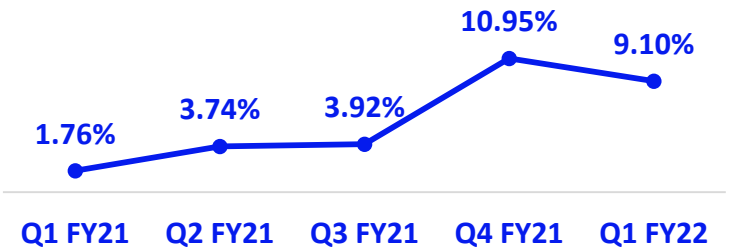
Provision Coverage Ratio



Slippage Ratio



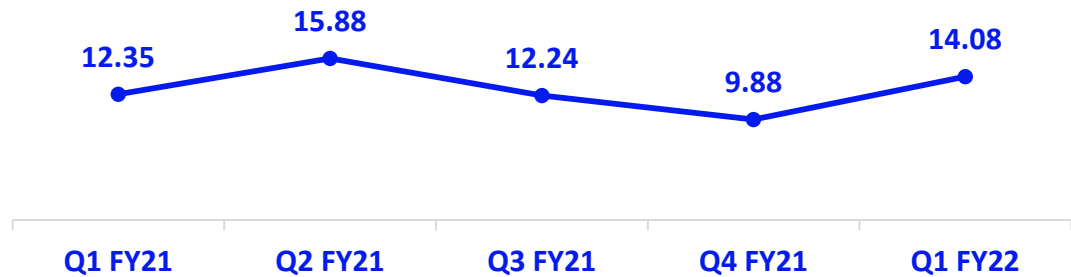
Recovery Rate



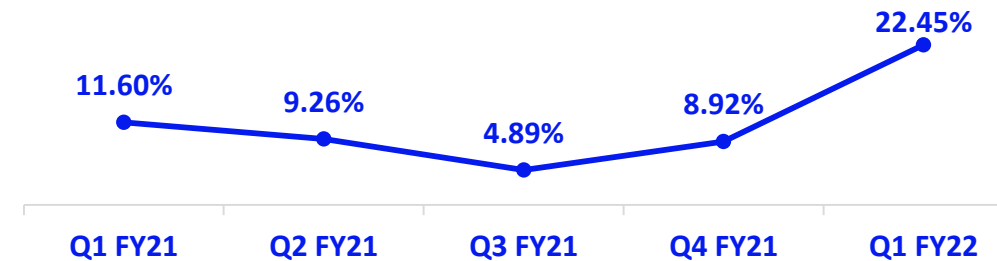
Share Holders Return & Risk Ratios

EPS (Annualised)

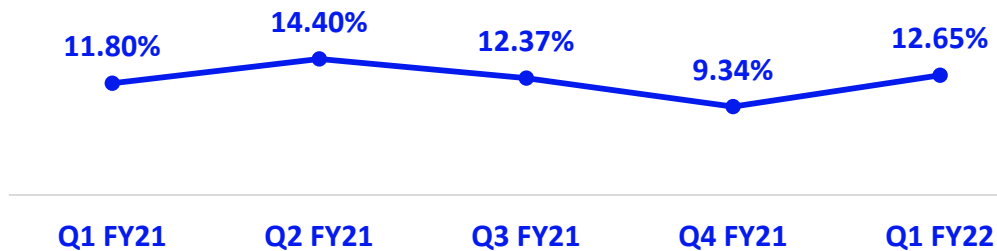
(in Rs)



Net NPA to Networth

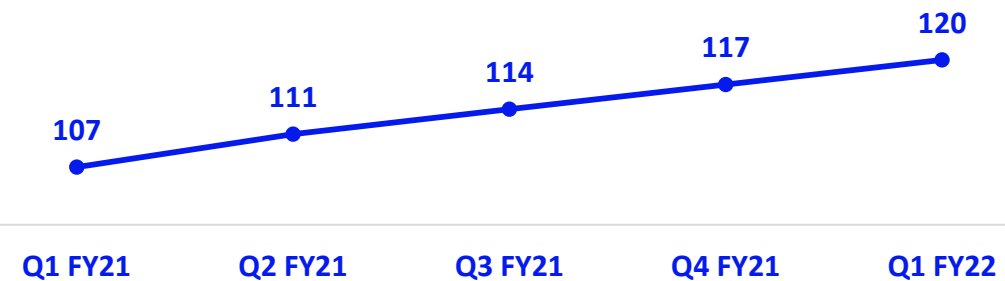


RoE (Annualised)



Book Value per Share

(in Rs)



Company
Overview

Business
Overview

Earnings

Digital
Penetration

Strategy

Efficiency Ratios

Business per Employee (Annualised) (In Cr)



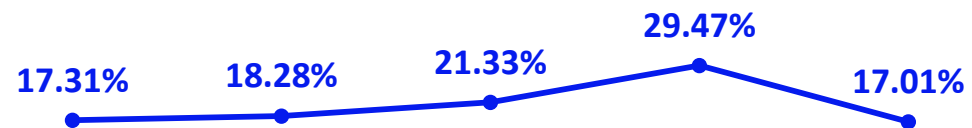
Q1 FY21 Q2 FY21 Q3 FY21 Q4 FY21 Q1 FY22

Profit per Employee (in Lakhs)



Q1 FY21 Q2 FY21 Q3 FY21 Q4 FY21 Q1 FY22

Staff Cost to Total Income



Q1 FY21 Q2 FY21 Q3 FY21 Q4 FY21 Q1 FY22

Cost to Income Ratio



Q1 FY21 Q2 FY21 Q3 FY21 Q4 FY21 Q1 FY22

Company
Overview

Business
Overview

Earnings

Digital
Penetration

Strategy

Digital Touch Points



1,697 Installations



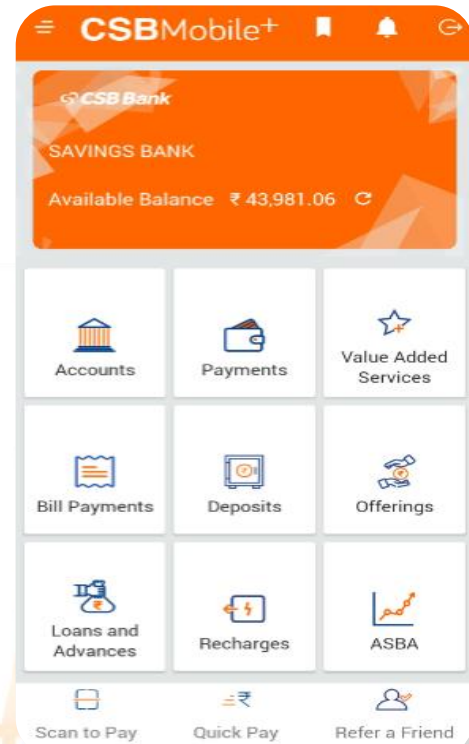
5.81 lacs + Debit Cards



3.28 lacs+ Net
Banking users



335 ATM
Network



2.98 lacs+ Mobile
Banking Users



2,819+ QR
Installations



71,280+ ePassbook
Downloads



78,660+Prepaid
Cards

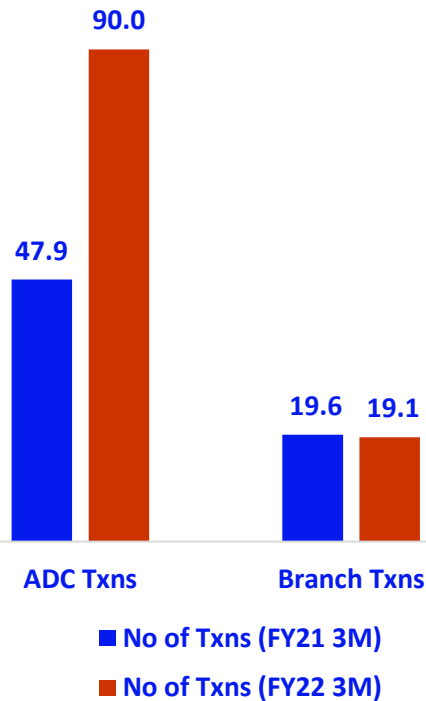
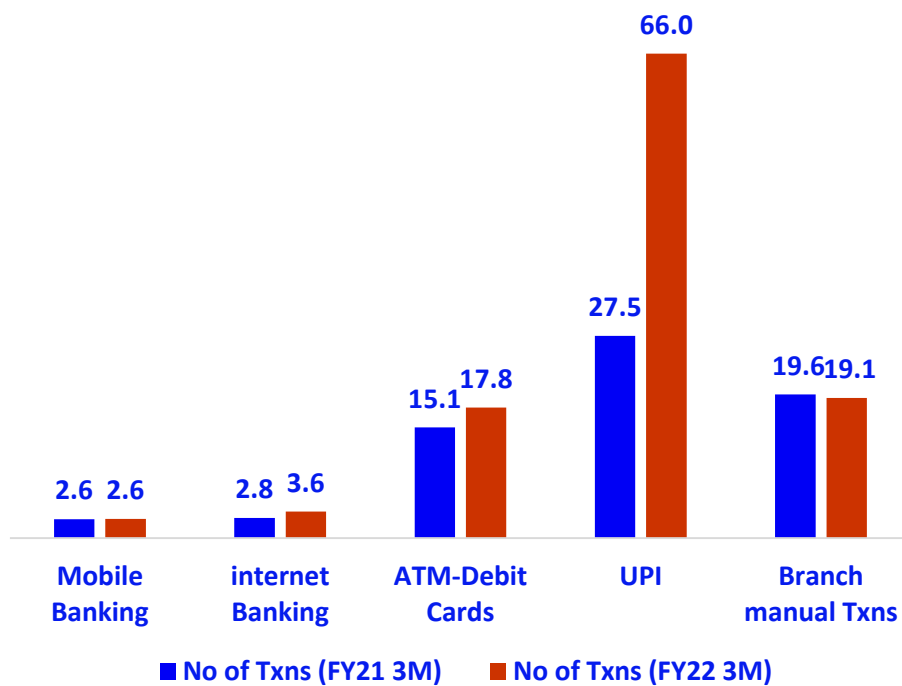


1.21 lac+ UPI
Downloads

Channel Transactions

Amt in Lakh

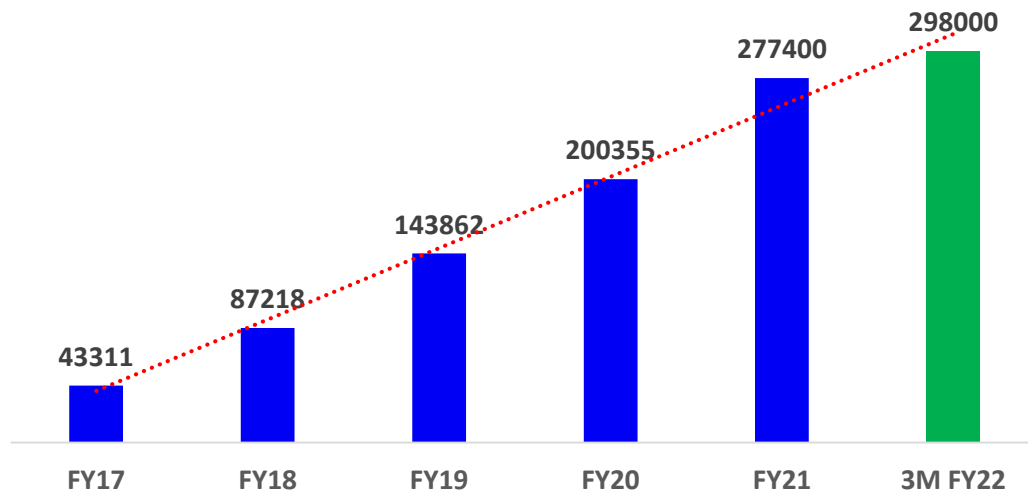
Digital vs Branch



	No. of txns	
	3M FY 21	3M FY 21
Mobile Banking	2.6	2.6
Internet Banking	2.8	3.6
Debit Cards	15.1	17.8
UPI	27.5	66.0
Branch txns	19.6	19.1
Total Channel Transactions	47.0	90.0
% of channel txns	70.6%	85.6%

CSB Mobile+ App - Way to Go Digital

Mobile Banking Users



- *Full fledged application ranging from fund Transfers ,Recharges, Scan & Pay payments to UPI*
- *'Refer & Win' attractive cashbacks*
- *Best UI & UX Design*

Upcoming Digital Projects

- Cardless Cash Withdrawal in ATM
- NETC FASTag
- BBPS up-gradation in Netbanking /Mobile banking
- CSB Chat Bot
- POS - new tie-ups
- Credit Cards

We aim to

- deliver long term value for the shareholders,
- grow with the aspirations of our customers,
- provide employees with a meritocratic work environment,
- meet the regulatory expectations.

Through

- expanding our footprints across India especially South and Western India,
- extending into new clientele base in retail and MSME
- reorganising into business verticals with clearly defined roles and responsibilities,
- incentivising performance,
- maintaining a granular asset portfolio with reduced focus on corporate credit,
- competing on non price value propositions,
- maintaining robust capital , funding and liquidity base,
- strong balance sheet with strong controls.

Thank You...

Disclaimer

This presentation has been prepared by CSB Bank Limited (the “Bank”) solely for information purposes, without regard to any specific objectives, financial situations or informational needs of any particular person. All information contained has been prepared solely by the Bank.

No information contained herein has been independently verified by anyone else. This presentation may not be copied, distributed, redistributed or disseminated, directly or indirectly, in any manner.

This presentation does not constitute an offer or invitation, directly or indirectly, to purchase or subscribe for any securities of the Bank by any person in any jurisdiction, including India and the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. Any person placing reliance on the information contained in this presentation or any other communication by the Bank does so at his or her own risk and the Bank shall not be liable for any loss or damage caused pursuant to any act or omission based on or in reliance upon the information contained herein.

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Further, past performance is not necessarily indicative of future results.

This presentation is not a complete description of the Bank. This presentation may contain statements that constitute forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially include, among others, future changes or developments in the Bank’s business, its competitive environment and political, economic, legal and social conditions. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Bank disclaims any obligation to update these forward-looking statements to reflect future events or developments.

Except as otherwise noted, all of the information contained herein is indicative and is based on management information, current plans and estimates in the form as it has been disclosed in this presentation. Any opinion, estimate or projection herein constitutes a judgment as of the date of this presentation and there can be no assurance that future results or events will be consistent with any such opinion, estimate or projection. The Bank may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such change or changes. The accuracy of this presentation is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Bank.

This presentation is not intended to be an offer document or a prospectus under the Companies Act, 2013 and Rules made thereafter , as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or any other applicable law.

Figures for the previous period / year have been regrouped wherever necessary to conform to the current period's / year's presentation. Total in some columns / rows may not agree due to rounding off.

Note: All financial numbers in the presentation are from Audited Financials or Limited Reviewed financials or based on Management estimates.