



CSB Bank

Investor Presentation

Q4 FY 21

Company Overview

Business Overview

Earnings

Digital Penetration

Strategy

Key Information

Improved Profitability

*Highest PAT for the 12 months ended 31.03.21 - crosses double century mark in the century year - at Rs 218 Cr

•PBT up by 118% for FY21

*Operating Profit surges to Rs 613 Cr with 119% increase for FY 21

Cost and Revenue

*Posted strong NII growth of 59% YoY

*Non interest income up by 81% –supported by Treasury, PSLC income, PF, Banca/BG Commission etc

*Increase in income out weighed the increase in opex on account of increased AS 15 provisions, Opening of 101 branches, conservative depreciation policy etc

Growth Momentum

*Advance grew by 27% in FY 21 & 10% QoQ

*Deposits grew by 21% in FY 21 & 8% QoQ

* In terms of overall business, bank has grown a fourth of the total business it grew in past 99 years.

*CASA annual growth of 34% & 14% QoQ

* Digital Penetration increases to 74%

Well Capitalised & Strong Liquidity Position

*Strong Capital comfort with a CRAR of 21.37% as on 31.03.2021

* Tier I ratio of 19.96%

*Strong liquidity & LCR of 210%

*comfortable leverage ratio 8.11%

Asset Quality

* GNPA came down to 2.68% as against 3.54% on 31.03.20- down by 86 bps

* Net NPA decreased from 1.91% as on 31.03.2020 to 1.17% as on 31.03.2021

*PCR of 85% as on 31.03.2021

*Accelerated Provisioning Policy-25% provisioning from DPD1 and 100% for 2 year default

- A century young Organisation
- 514 Branches & 320 ATMs
- 9 Zonal Offices
- 1.7Mn happy customers
- Presence in 16 states & 4 UTs
- Total business of Over Rs 34500 Cr
- 6 bancassurance tie ups with industry leaders.

Company Overview

Business Overview

Earnings

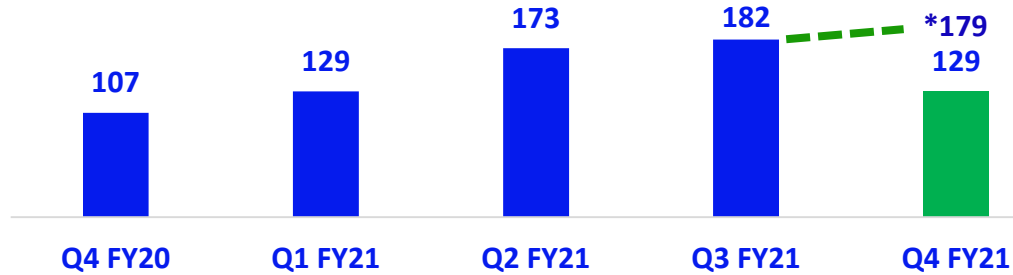
Digital Penetration

Strategy

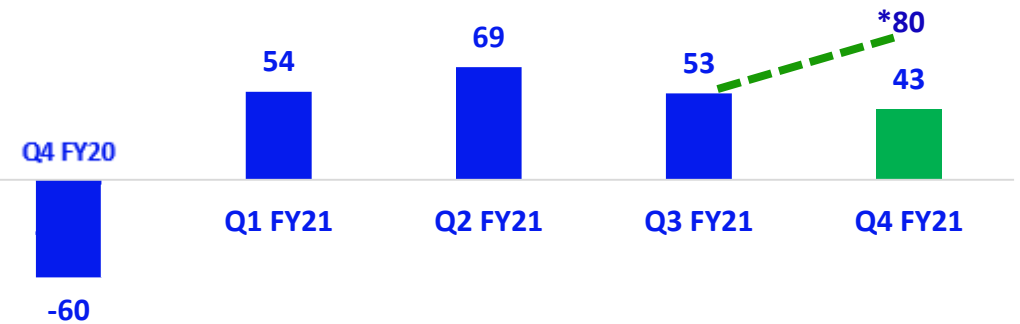
Profitability Ratios

Amt in Cr

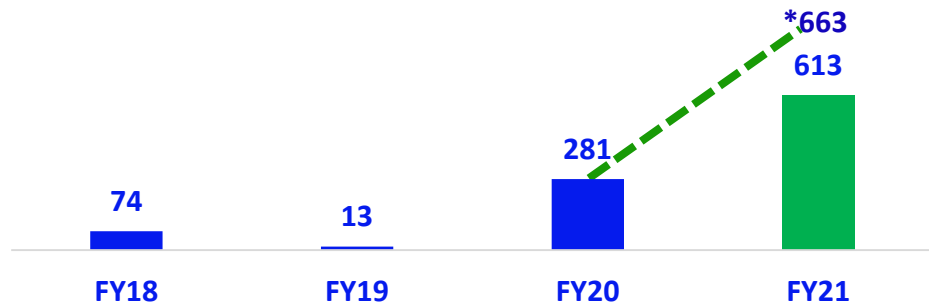
Operating Profit QoQ



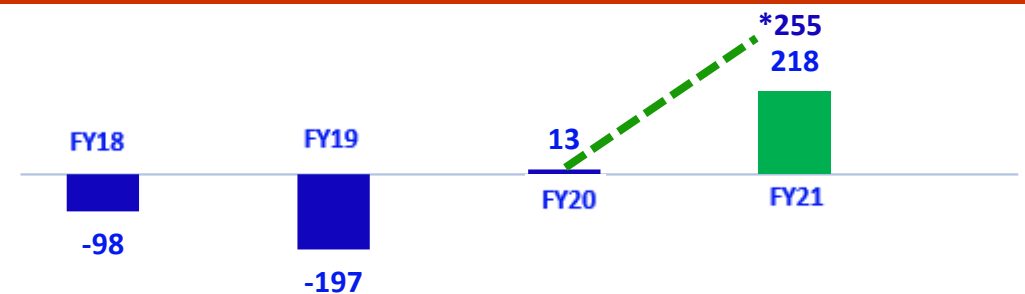
Net Profit QoQ



Operating Profit YoY



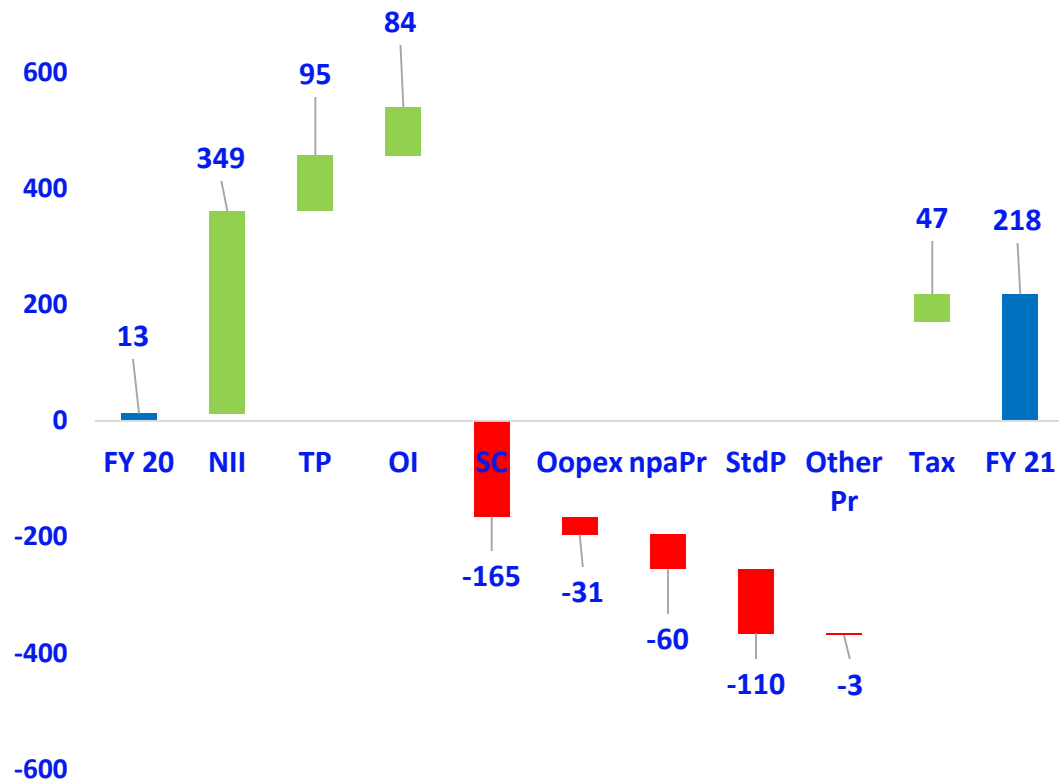
Net Profit YoY



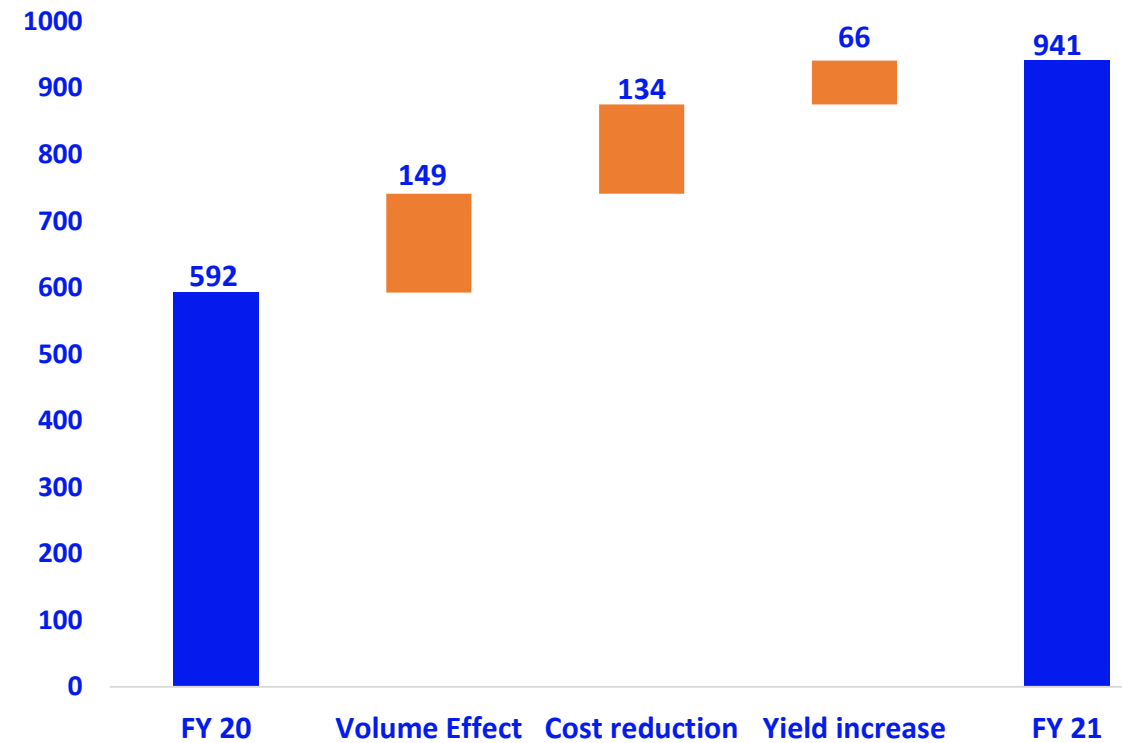
*One off expenses – Depreciation policy/As15 assumptions impact

Surge in Profitability

Net Profit movement (Rs Cr)



NII Movement (Rs Cr)



Prudential Provisioning Policy

Asset Classification		RBI Norms	Our Norms	
NPA Provision	Sub Standard Assets	Secured	15%	25%
		Unsecured	25%	50%
	Doubtful Assets (Up to one year)	Secured	25%	50%
		Unsecured	100%	100%
	Doubtful Assets (One to three years)	Secured (1st Year)	40%	100%
		Secured (2 nd Year)	40%	100%
		Unsecured	100%	100%
	Doubtful Assets (More than three years)	Secured/Unsecured	100%	100%
	Loss Assets	Secured/Unsecured	100%	100%

		RBI Norms	Accounting Treatment
Other Provisions	Provisions for Standard Assets	• 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	Depreciation can be netted with appreciation of individual scrips in the same category	Appreciation of individual scrips not netted

Prudential Provisions	Amount (in Cr)
NPA Provision	155
Additional Std asset provision	89
SR Provision	7
Total	251
Tax	63
After Tax Impact	207

Company Overview

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Earnings

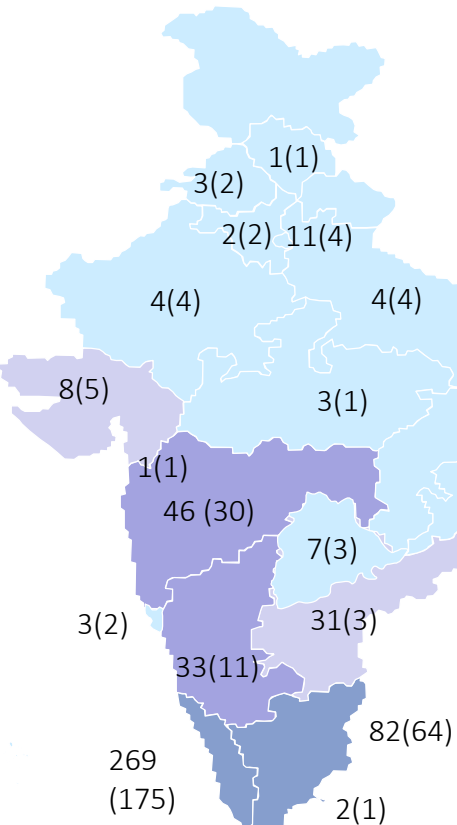
Digital Penetration

Strategy

Branch Distribution

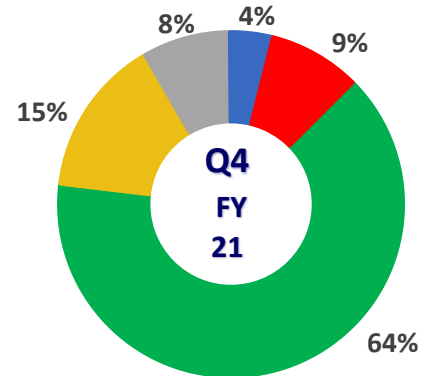
State	% distribution
KERALA	52%
TAMIL NADU	16%
MAHARASHTRA	9%
KARNATAKA	6%
OTHERS	17%

Population	No of Branches
Metropolitan	96
Urban	110
Semi-urban	260
Rural	48
Grand Total	514

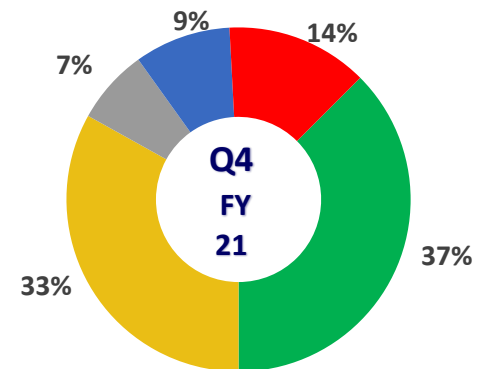


Legend: Branches (ATM)

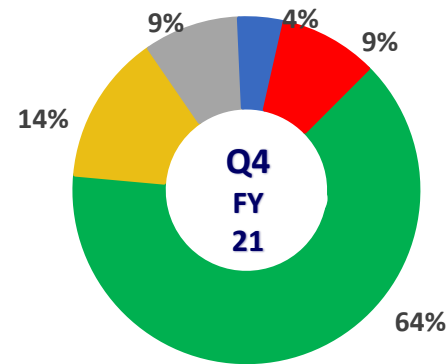
CASA



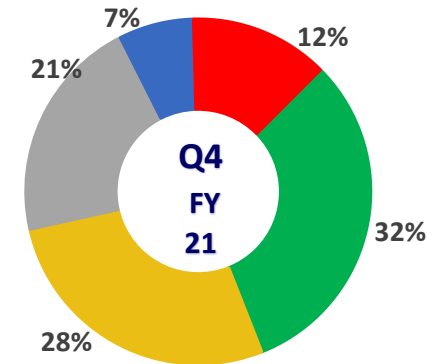
Gold Loans



Total Deposits



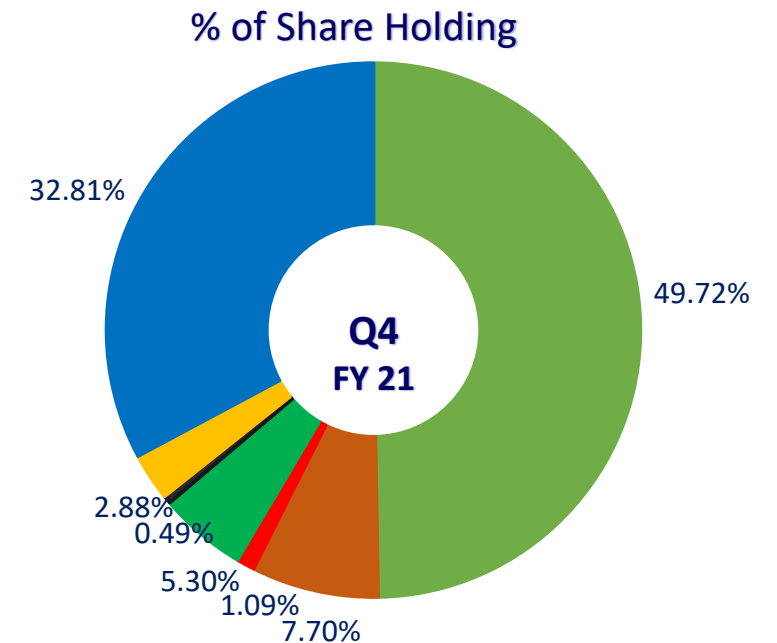
Total Advances



Kerala Tamilnadu Maharashtra Karnataka Others

Share Holding Pattern

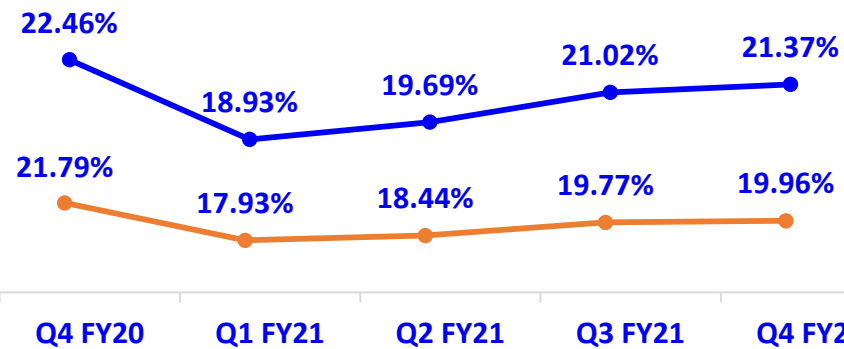
Category	No of Shareholders	No of Shares Held(in Mio)	% of Holding
FIHM-Promoter & Promoter Group	1	86.26	49.72%
Mutual Funds	9	13.36	7.70%
Alternate Investment Funds	2	1.89	1.09%
Foreign Portfolio Investors	9	9.20	5.30%
FIs / Banks /Insurance Companies	2	0.84	0.49%
Shares held by CSB ESOS Trust	1	5.00	2.88%
Others	47489	56.93	32.81%
TOTAL	47513	173.49	100.00%



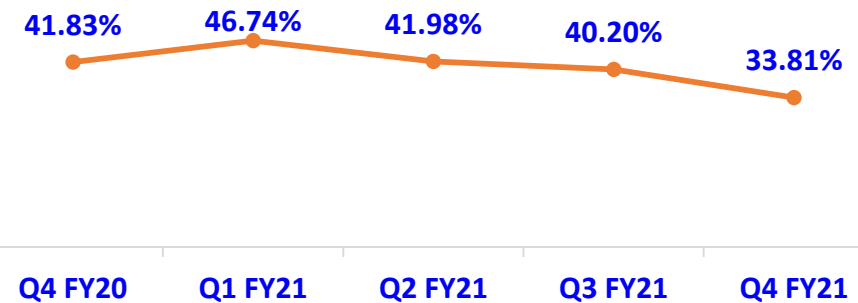
Solid CRAR & Adequate Liquidity – Our Strength

Amt in Cr

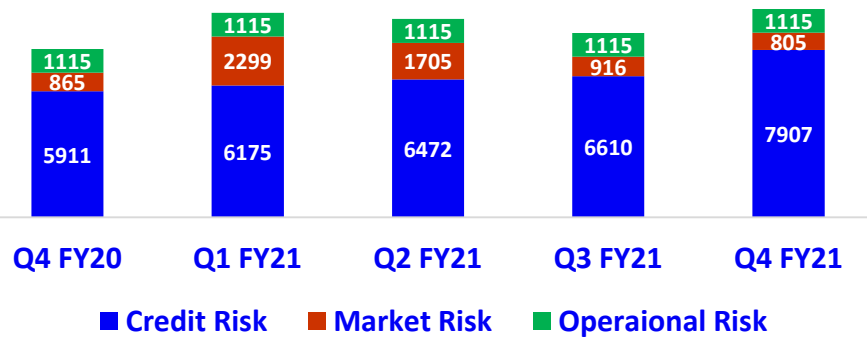
Capital Adequacy Ratio



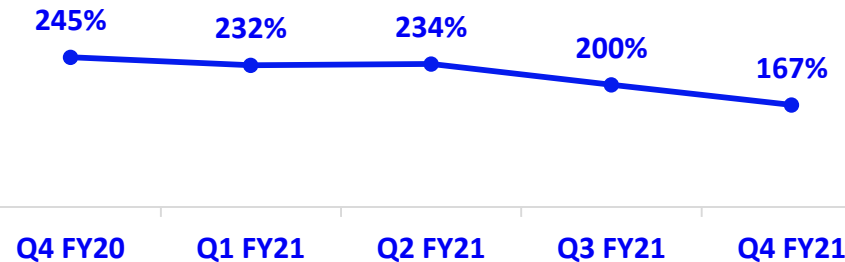
RWA to Total Assets



Risk Weighted Assets



Liquidity Coverage Ratio



Company Overview

Business Overview

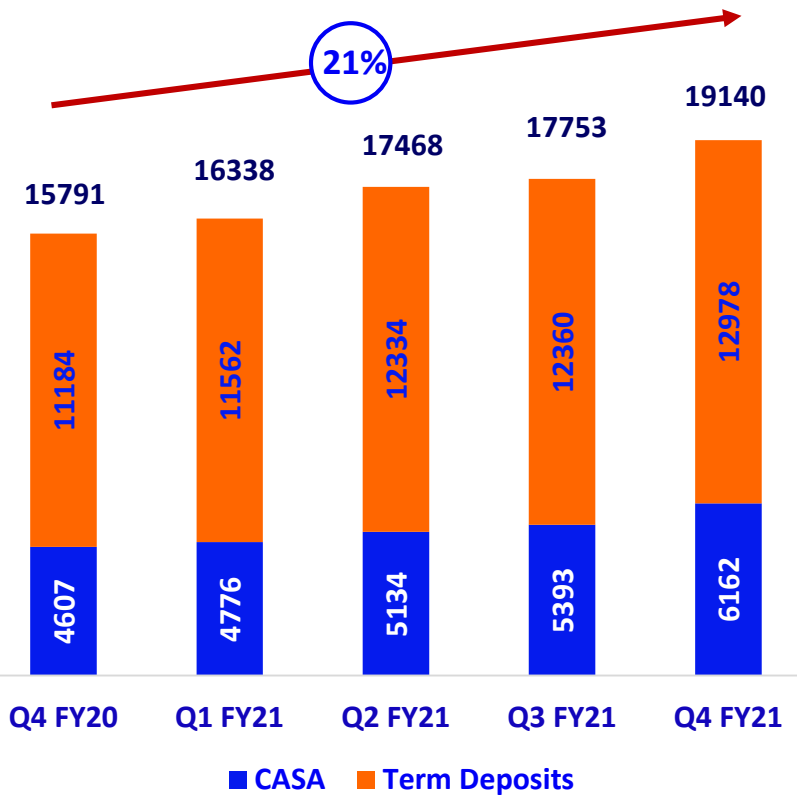
Earnings

Digital Penetration

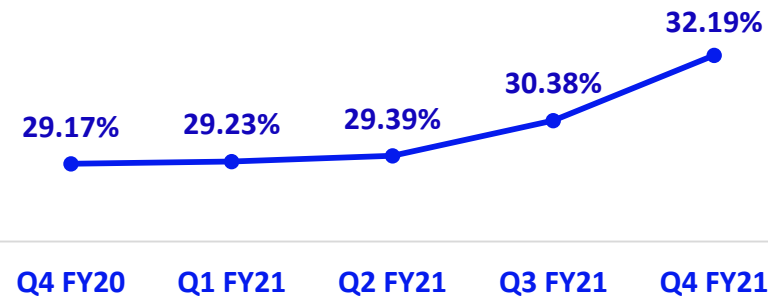
Strategy

Total Deposits

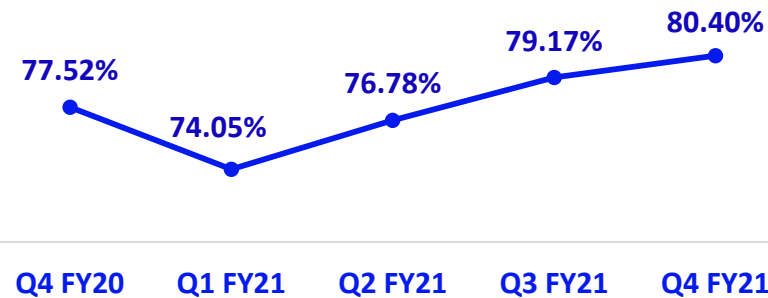
(Amt in Cr)



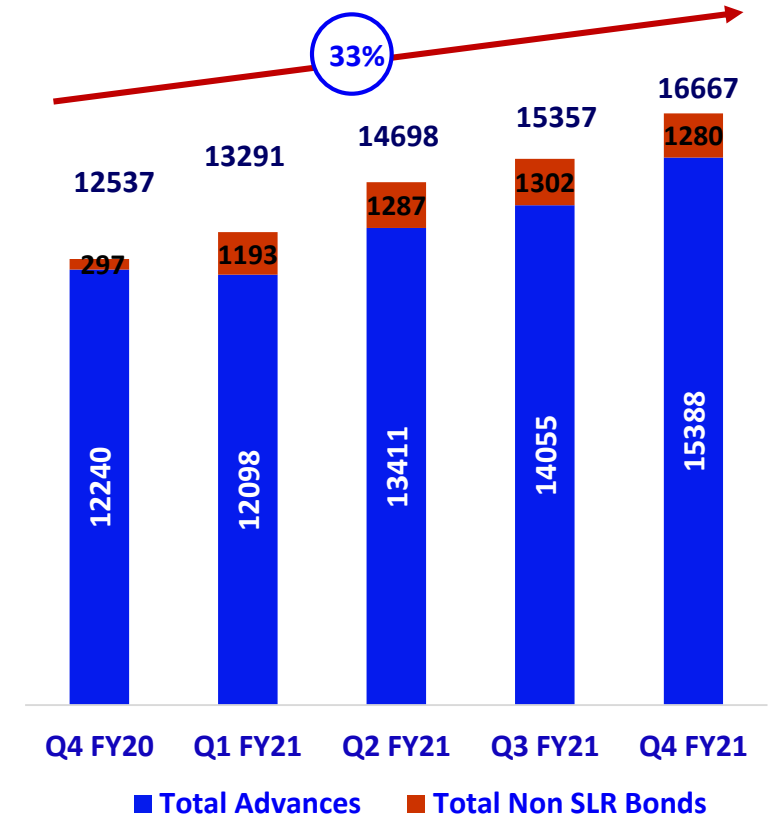
CASA Ratio



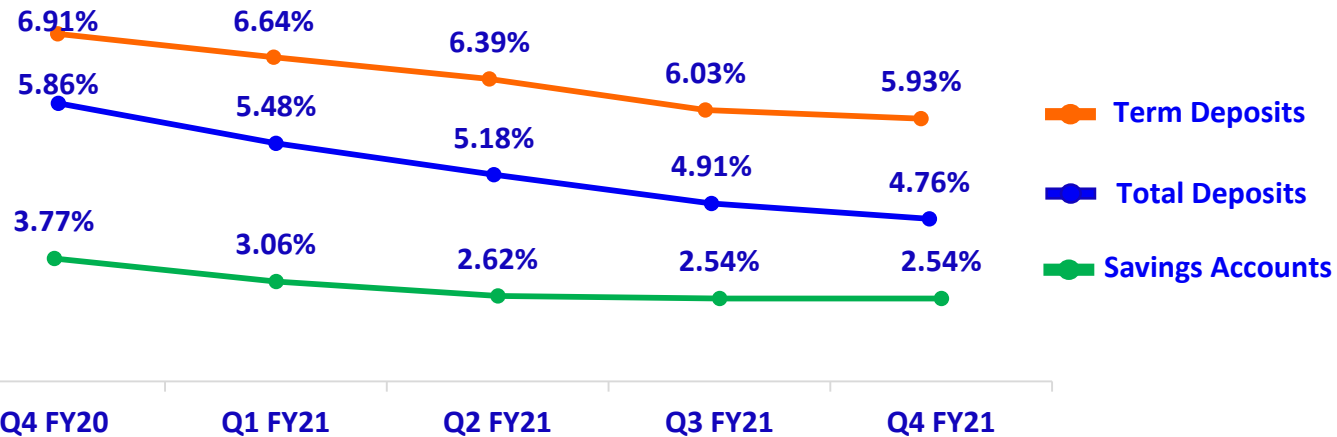
Gross CD Ratio



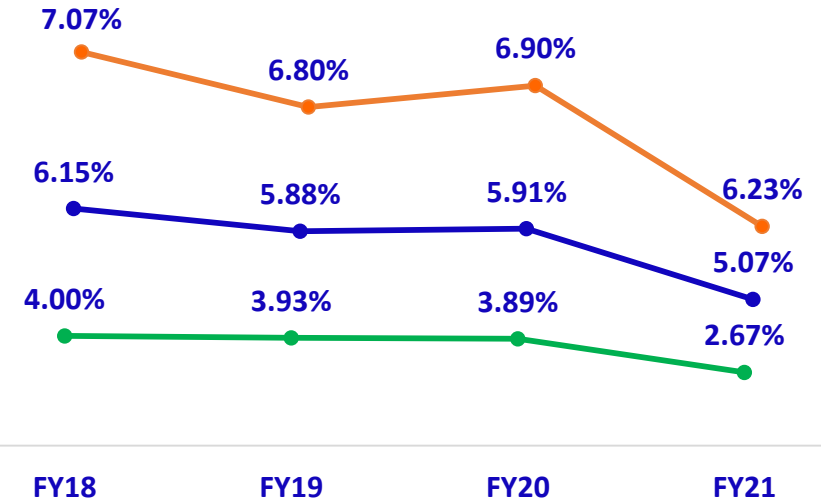
Total Gross Advances + Non SLR Bonds (Amt in Cr)



Cost of Deposits (QoQ)



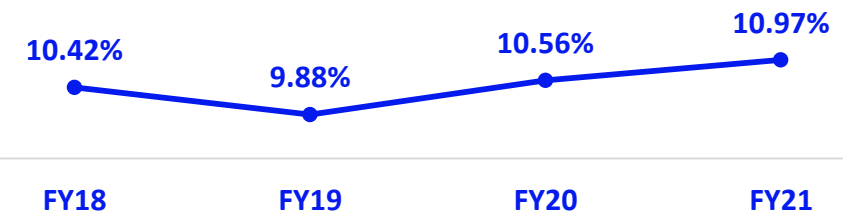
Cost of Deposits (YoY)



Yield on Advances (QoQ)



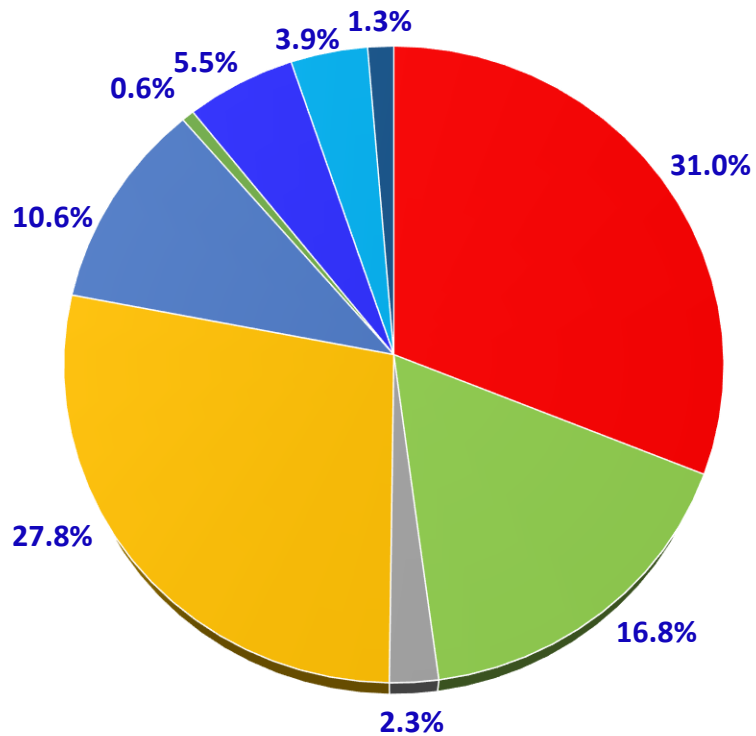
Yield on Advances (YoY)



Advance Mix

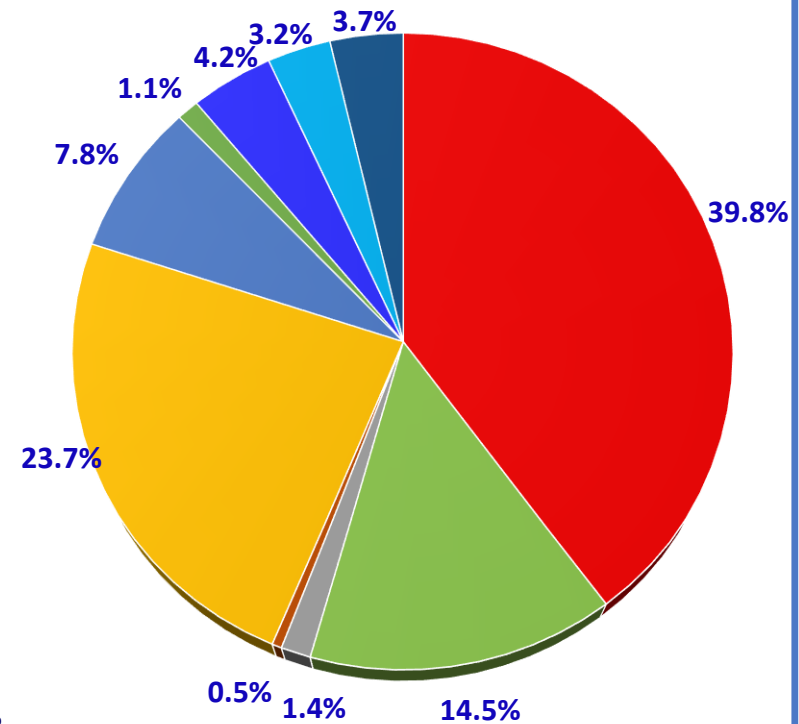
(Amt in Cr)

Q4 FY 20



3800	Gold Loans	6131	↑ 61.3%
2062	SME Loans	2239	↑ 8.6%
284	MSME General Loans	218	↓ 23.2%
0	MSME New Loans	71	↑
3402	Corporate Loans	3653	↑ 7.4%
1299	Retail Loans	1201	↓ 7.5%
78	Two Wheeler Loans	171	↑ 119.8%
678	Assignment Loans	645	↓ 4.9%
477	LCBD & TReDS	492	↑ 3.1%
161	Agri & MFI Loans	567	↑ 253.1%

Q4 FY 21



Company
Overview

Business
Overview

Earnings

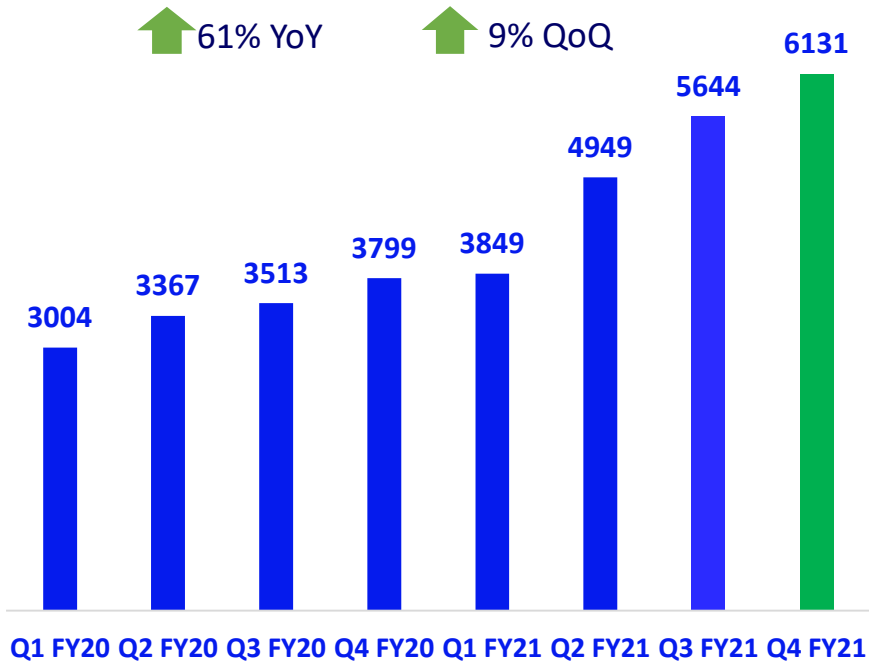
Digital
Penetration

Strategy

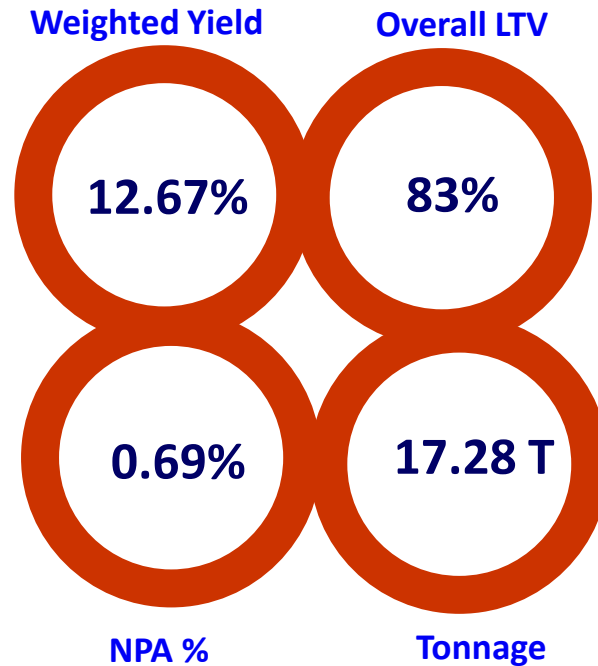
Gold Loan – Our DNA

(Amt in Cr)

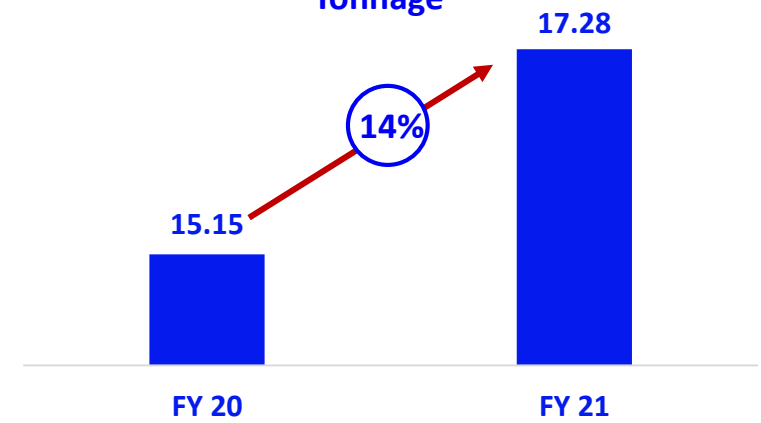
Portfolio Movements



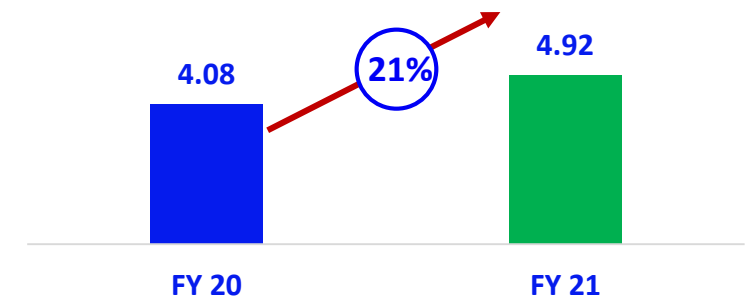
Portfolio Quality



Tonnage

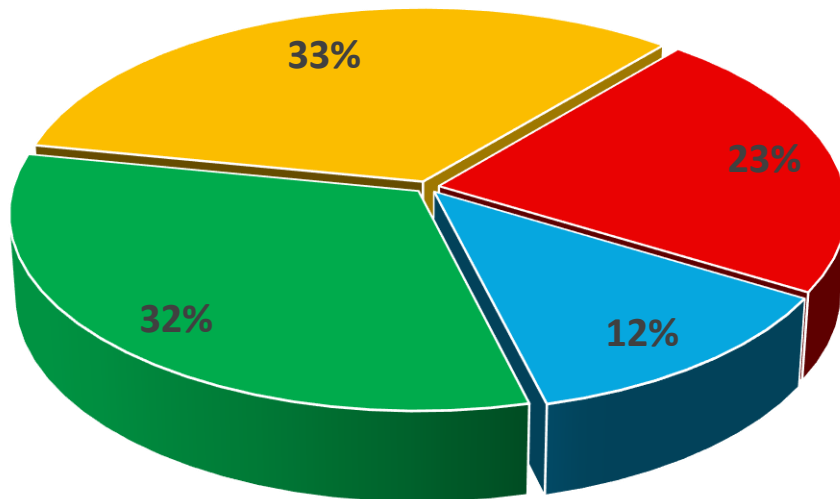


No of Accounts (in Lakhs)



Sector Wise Exposure

Sector Wise Exposure



- Agriculture and Allied Activities
- Industry
- Services
- Retail & Others

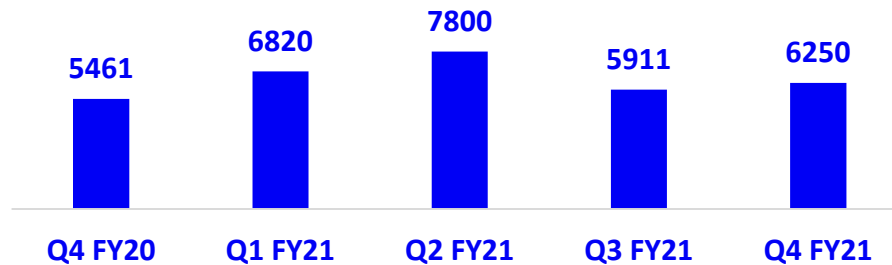
Industries	% to Gross advances
Textiles	3.18%
Food Processing	2.31%
Construction	1.24%
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	1.00%
Vehicles, Vehicle Parts and Transport Equipments	0.66%
All Engineering	0.43%
Chemicals and Chemical Products (Dyes, Paints, etc	0.33%
Basic Metal and Metal Products	0.32%
Paper and Paper Products	0.25%
Beverages (excluding Tea & Coffee) and Tobacco	0.16%
Wood and Wood Products	0.15%
Rubber, Plastic and their Products	0.11%
Gems and Jewellery	0.07%
Mining and Quarrying	0.06%
Cement and Cement Products	0.06%
Leather and Leather products	0.04%
Glass & Glassware	0.01%

Services	% to Gross advances
NBFCs	10.47%
Wholesale & Retail Trade	5.05%
Tourism, Hotel and Restaurants	2.70%
Commercial Real Estate	2.60%
Transport Operators	0.44%
Computer Software	0.44%
Professional Services	0.19%
Other Services	10.14%

Investments

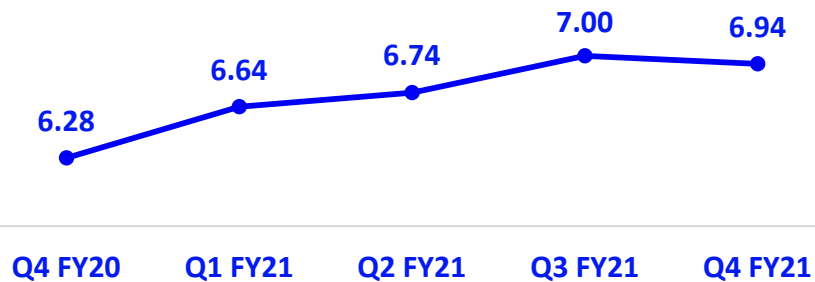
(Amt in Cr)

Total Investments (Excl RIDF)

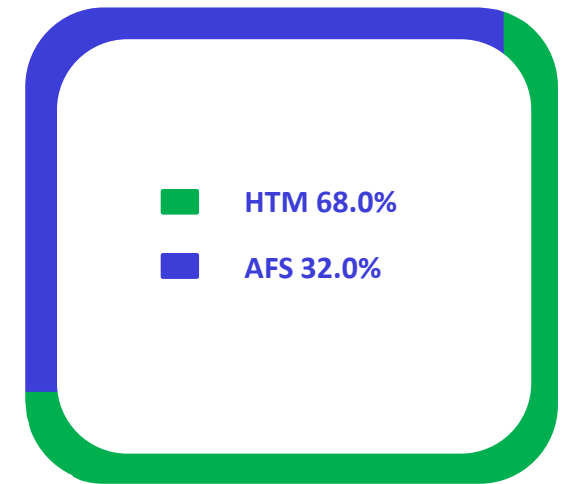
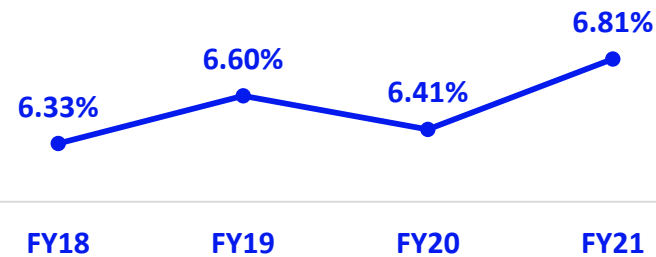


Yield on Investments

QoQ



YoY

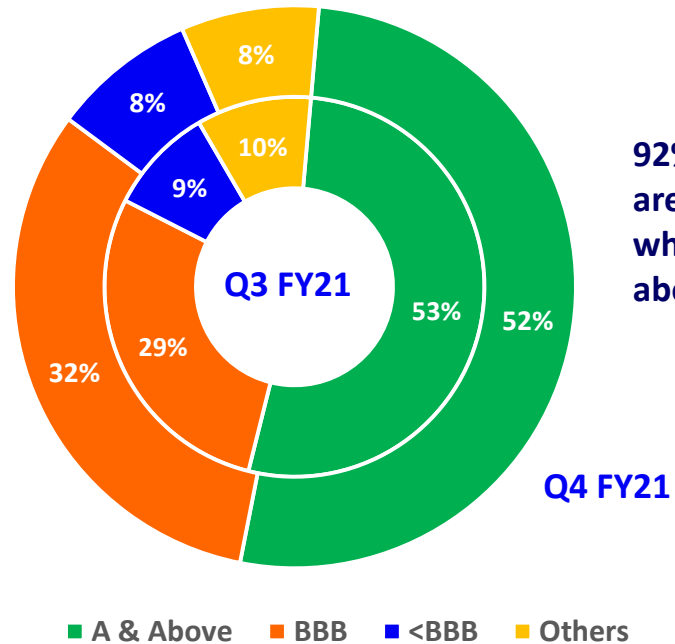


M Duration

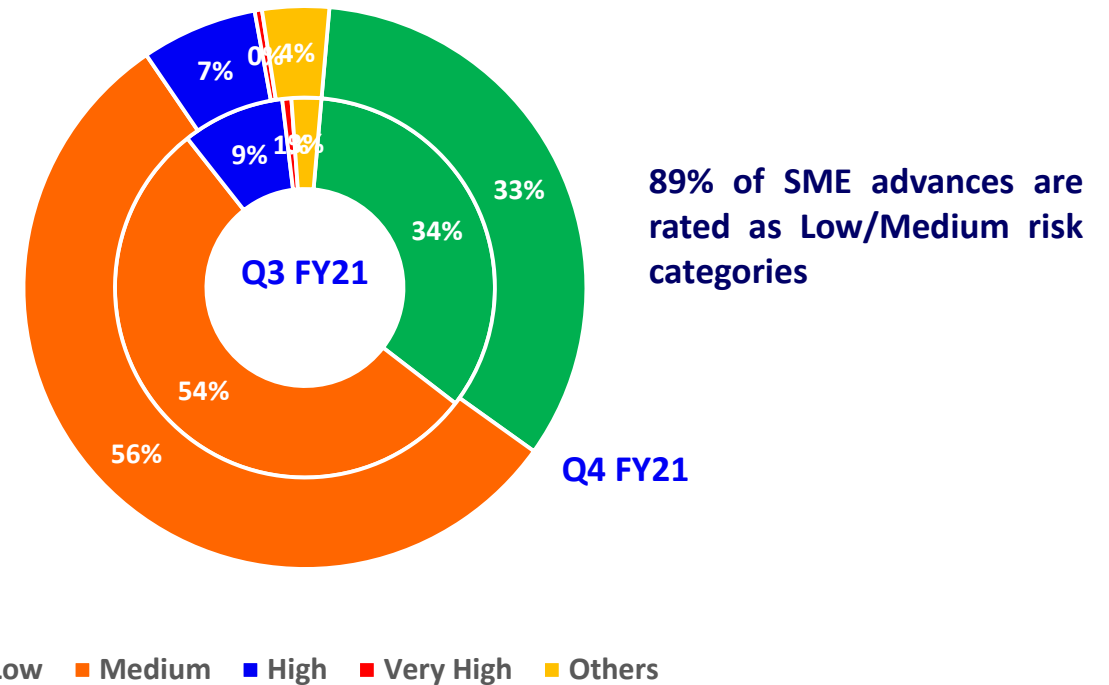
HFT	AFS	HTM	Total
0.00%	1.76%	5.52%	4.54%

Rating wise Exposure

External Rating of Corporate Accounts (>Rs 25Cr)



Internal Rating of SME accounts



Profit & Loss Account - Q4 FY 21

Amt in Cr

	Q3FY21	Q4FY21	QoQ	Q4FY20	YoY
Interest Income	482.6	497.1	3.0%	388.9	27.8%
Interest Expense	231.4	221.4	-4.3%	231.4	-4.3%
Net Interest Income	251.2	275.7	9.8%	157.5	75.0%
Treasury Profit	47.7	1.5	-96.8%	13.3	-88.6%
Commission Income	11.7	15.9	36.2%	10.7	49.4%
Processing Fees	14.1	18.2	29.1%	13.6	33.4%
Bad debts recovered	19.4	30.8	59.0%	19.6	56.8%
Other Income	23.7	45.9	93.3%	29.4	56.4%
Total Non Interest Income	116.6	112.3	-3.7%	86.6	29.7%
Total Net Operating Income	367.8	388.0	5.5%	244.1	59.0%
Staff Cost	127.8	179.4	40.4%	79.0	127.3%
Other Opex	57.6	79.6	38.2%	58.2	36.9%
Total Opex	185.4	259.1	39.7%	137.1	88.9%
Operating Profit/Loss	182.4	129.0	-29.3%	107.0	20.5%

	Q3FY21	Q4FY21	QoQ	Q4FY20	YoY
Operating Profit	182.4	129.0	-29.3%	107.0	20.5%
Provision for NPA	56.2	90.6	61.2%	56.0	61.7%
Provision for Dep on Inv	-34.2	17.7	-151.9%	24.0	-26.2%
Provision for std advances	89.2	-37.1	-141.6%	4.2	-979.9%
Other Provisions	0.2	-0.2	-202.3%	0.0	-775.9%
Total Provisions	111.5	71.1	-36.3%	84.3	-15.7%
Profit Before Tax	70.9	57.9	-18.3%	22.7	155.4%
Tax	17.8	15.1	-15.40%	82.4	-81.7%
Profit/Loss (-) After Tax	53.0	42.9	-19.30%	-59.7	-

- ❖ Net Interest Income grows by 75% YoY & 10% QoQ
- ❖ Non-Interest Income increases by 30% YoY - improved treasury gains & PSLC commission
- ❖ Operating profit up by 21% YoY
- ❖ One off Expenses accounted –1. Staff cost – Rs 38Cr on account of change in actuarial assumptions on mortality. – 2. Depreciation – Rs 12Cr hit by way of change in depreciation policy
- ❖ PBT grows by 155 % YoY
- ❖ Q4 PAT is at Rs43Cr

Profit & Loss Account - 12M FY 21

Amt in Cr

	12M FY 20	12M FY 21	YoY	YoY%
Interest Income	1,509.9	1,872.3	362.4	24.0%
Interest Expense	917.6	930.9	13.3	1.4%
Net Interest Income	592.3	941.4	349.1	58.9%
Treasury Profit	30.2	125.1	94.9	314.3%
Commission Income	32.1	43.9	11.8	36.8%
Processing Fees	33.0	54.4	21.4	64.8%
Bad Debts recovered	60.1	74.5	14.4	23.9%
Other Income	66.1	102.8	36.7	55.5%
Total Non Interest Income	221.6	400.8	179.2	80.9%
Total Net Operating Income	813.9	1,342.2	528.3	64.9%
Staff Cost	331.3	497.0	165.7	50.0%
Other Opex	202.0	232.0	29.9	14.8%
Total Opex	533.3	729.0	195.7	36.7%
Operating Profit	280.6	613.2	332.6	118.5%

	12M FY 20	12M FY 21	YoY	YoY%
Operating Profit	280.6	613.2	332.6	118.50%
Provision for NPA	121.2	181.4	60.2	49.70%
Provision for Dep on Inv	20.4	23.1	2.7	13.20%
Provision for std advances	5.3	115.7	110.4	2092.80%
Other Provisions	-0.2	0.6	0.9	-362.20%
Total Provisions	146.6	320.8	174.2	118.80%
Profit/Loss(-) Before Tax	134.0	292.6	158.4	118.20%
Tax	121.3	74.2	-47.1	-38.8%
Profit/Loss (-) After Tax	12.7	218.4	205.6	1615.8%

- ❖ Net Interest Income grows by 59%
- ❖ Non-Interest Income increases by 81% -improved treasury gains, Processing Fee, Bad debts recovery & PSLC commission
- ❖ Operating profit up by 119% - despite increase in in staff cost by 50% thanks to robust growth in core income
- ❖ PBT grows by 118 % even after building sufficient buffers for Covid pandemic
- ❖ PAT grows by 1616%

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Balance Sheet – FY 21

Amt in Cr

31.03.2020

31.03.2021

YoY (%)

31.12.2020

QoQ (%)

Liabilities

Capital	173.5	173.5	0.0%	173.5	0.0%
Reserves & Surplus	1,787.2	2,006.6	12.3%	1963.1	2.2%
Deposits	15,790.7	19,140.0	21.2%	17,753.0	7.8%
Of Which CASA	4,606.6	6,161.8	33.8%	5,393.0	14.3%
Borrowings	794.0	1,425.9	79.6%	951.0	49.9%
Other Liabilities & Provisions	318.9	591.2	85.4%	656.6	-10.0%
Total	18,864.2	23,337.3	23.71%	21,497.1	8.56%

Assets

Cash & Balance with RBI	547.8	736.1	34.4%	652.9	12.7%
Balance with Banks Money at call & Short Notice	391.6	977.9	149.8%	670.9	45.8%
Investments	5,359.8	6,126.0	14.3%	5,804.7	5.5%
Advances	11,366.4	14,438.1	27.0%	13,137.3	9.9%
Fixed Assets	228.3	269.5	18.1%	232.5	15.9%
Other Assets	970.4	789.7	-18.6%	998.8	-20.9%
Total	18,864.2	23,337.3	23.71%	21,497.1	8.56%

Asset Quality

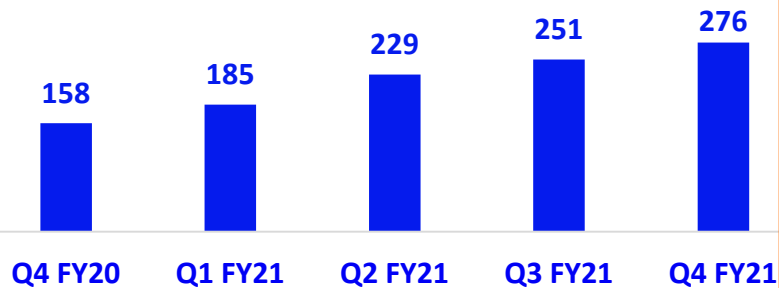
Amt in Cr

Gross NPA: Movement	QoQ movement				
	Q4 FY20 (3 months)	Q1 FY21 (3 months)	Q2 FY21 (3 months)	Q3 FY21 (3 months)	Q4 FY21 (3 months)
Opening Balance of Gross NPA	353	409	401	387	235
Additions	83	6	4	-	188
Sub-total (A)	436	415	405	388	423
Less:-					
(i) Upgradations	7	6	2	3	2
(ii) Recoveries (excluding recoveries made from upgraded accounts)	17	7	15	15	26
(iii) Technical/ Prudential Write-offs	-	-	-	134	0
(iv) Write-offs other than those under (iii) above	2	0	1	1	2
Sub-total (B)	26	14	17	153	29
Closing balance of Gross NPA (A – B)	409	401	387	235	393

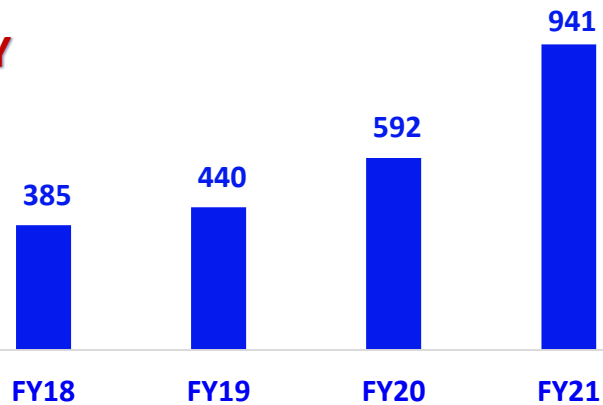
Profitability Ratios

Net Interest Income (in Cr)

QoQ

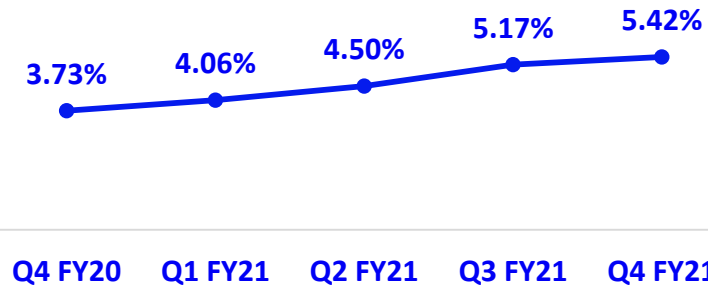


YoY

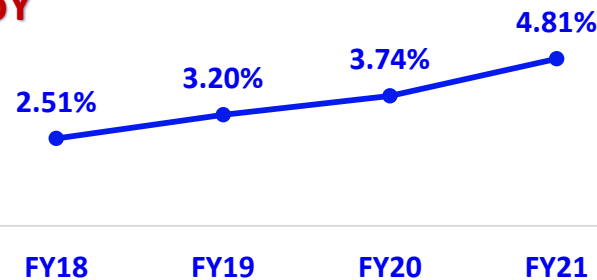


NIM

QoQ



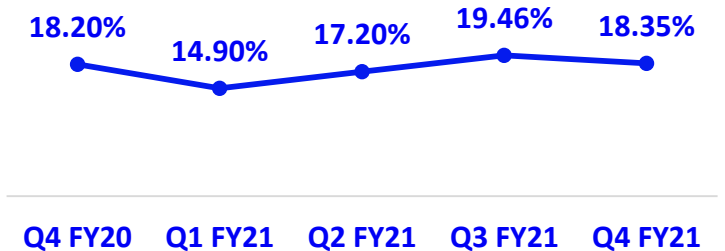
YoY



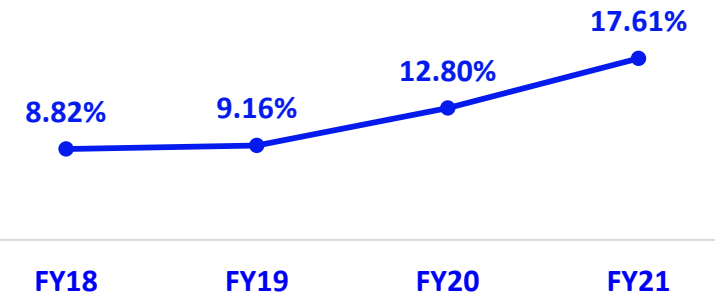
*NIM = NII/Avg interest earning assets

Non interest Income to Total Income

QoQ



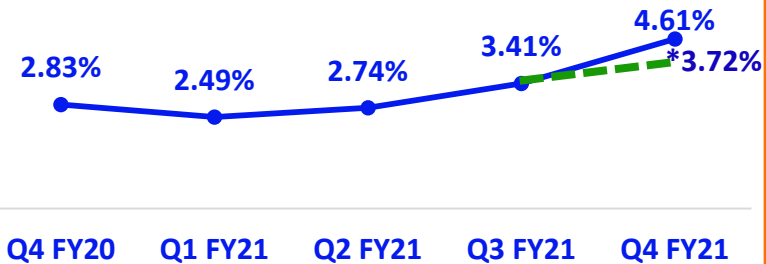
YoY



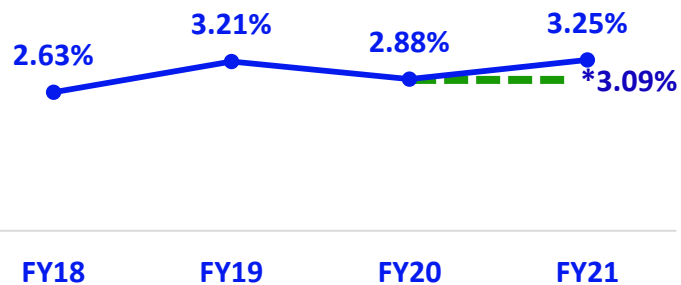
Profitability Ratios

Opex to Average assets

QoQ

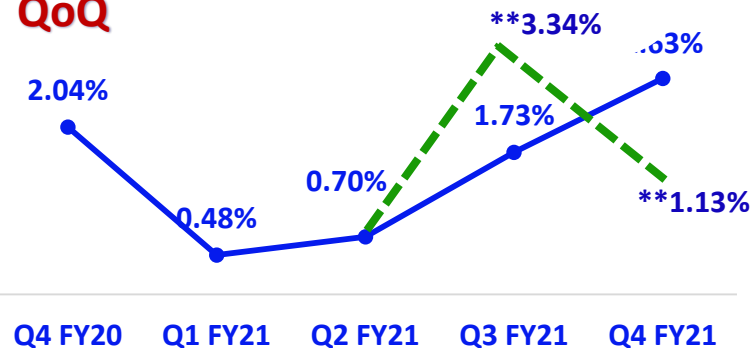


YoY

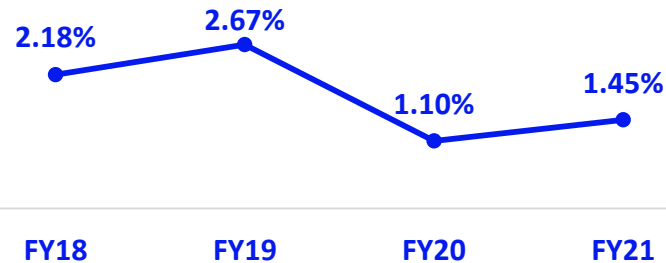


Credit Cost

QoQ

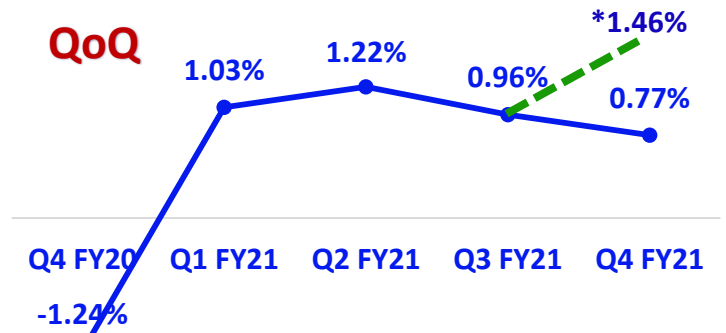


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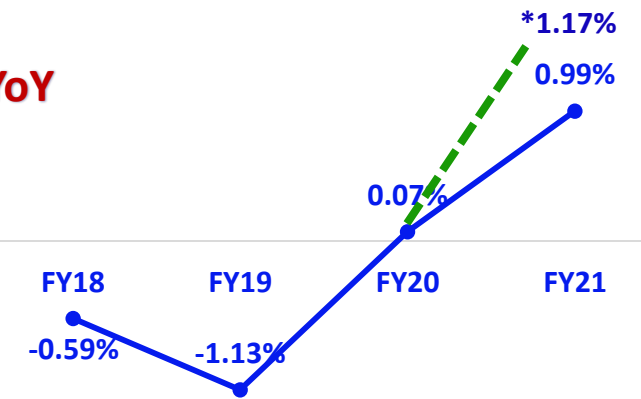


RoA

QoQ



YoY



*One off expenses – Depreciation policy/As15 assumptions impact ** Proforma NPA impact

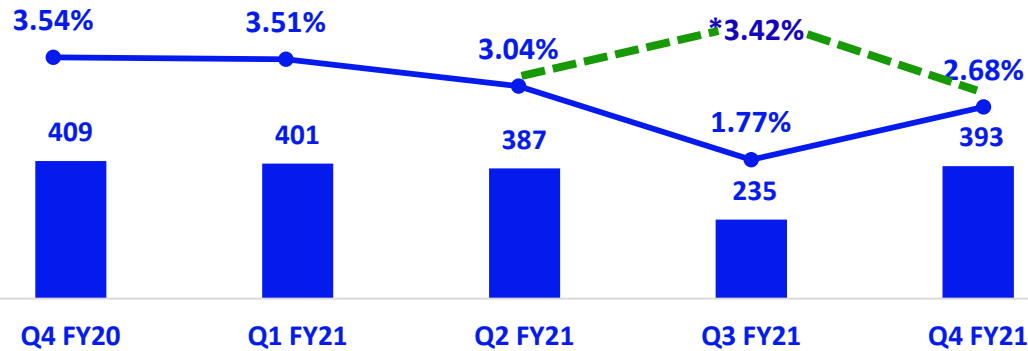
Asset Quality Ratios

Amt in Cr

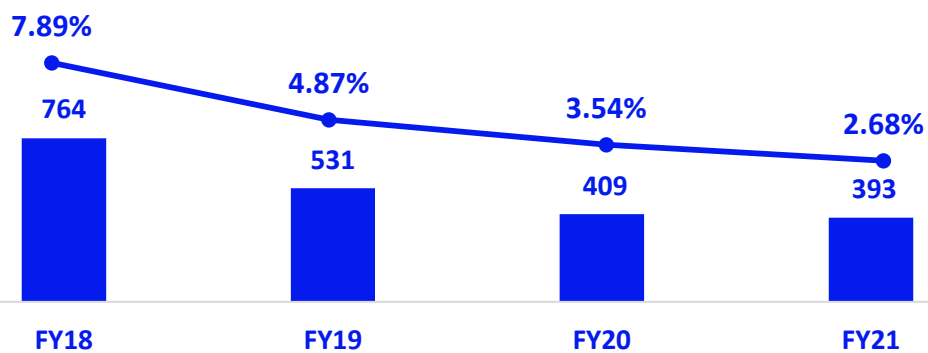
■ Gross NPA

— Gross NPA %

QoQ



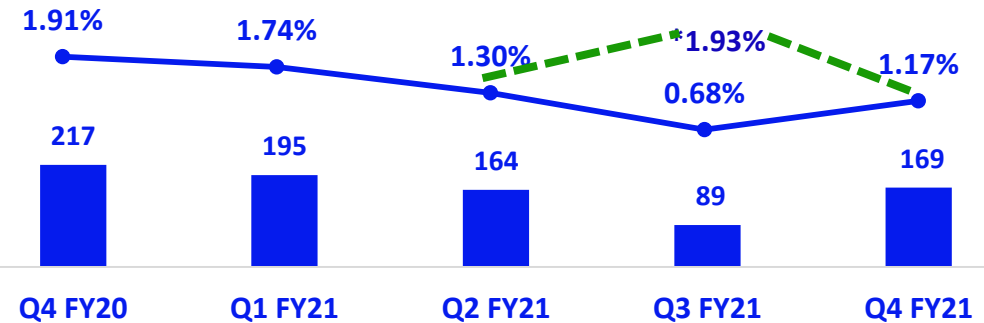
YoY



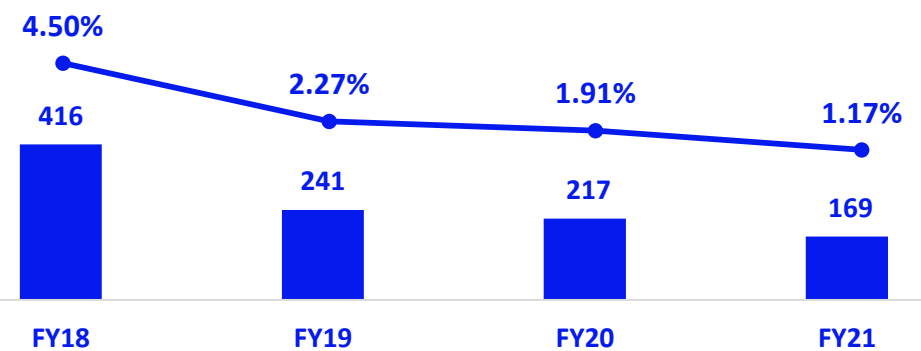
■ Net NPA

— Net NPA %

QoQ



YoY



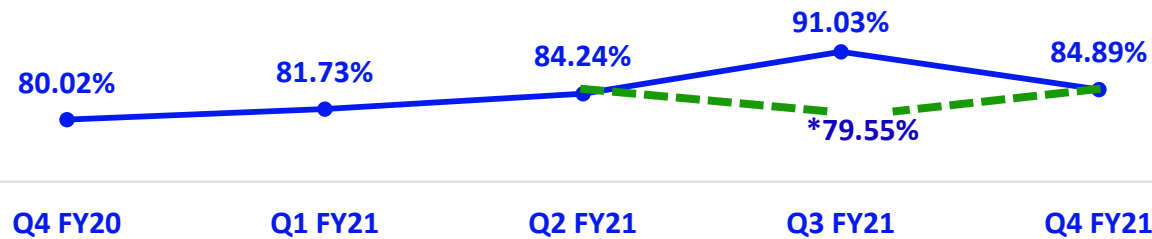
*Proforma NPA impact

Asset Quality Ratios

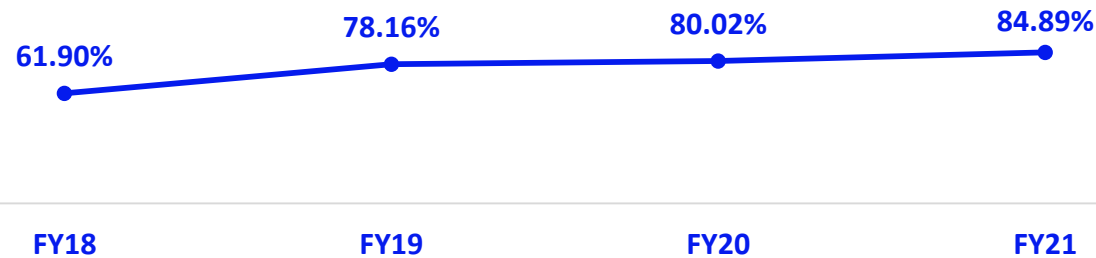
Amt in Cr

Provision Coverage Ratio

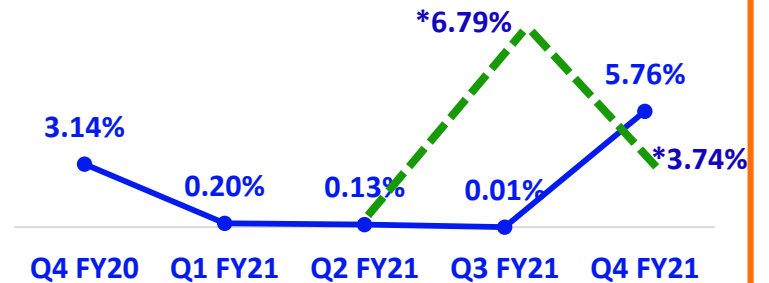
QoQ



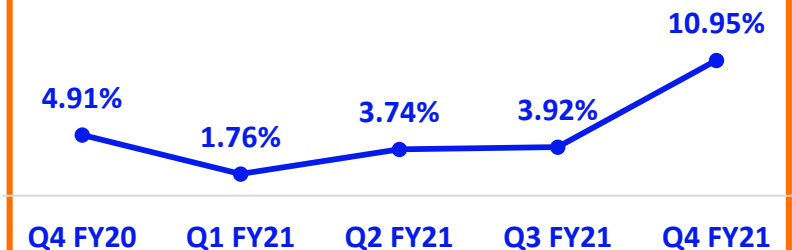
YoY



Slippage Ratio



Recovery Rate



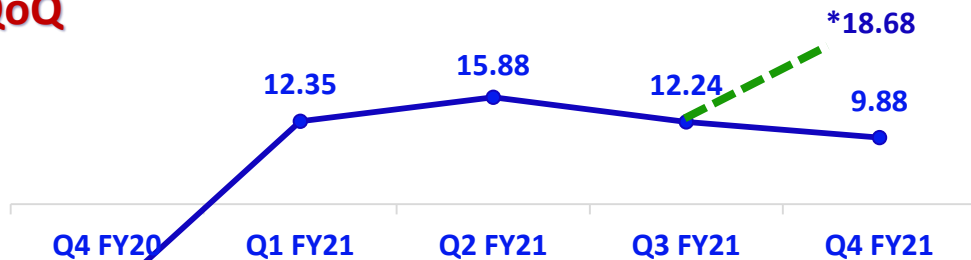
* Proforma NPA impact

Share Holders Return & Risk Ratios

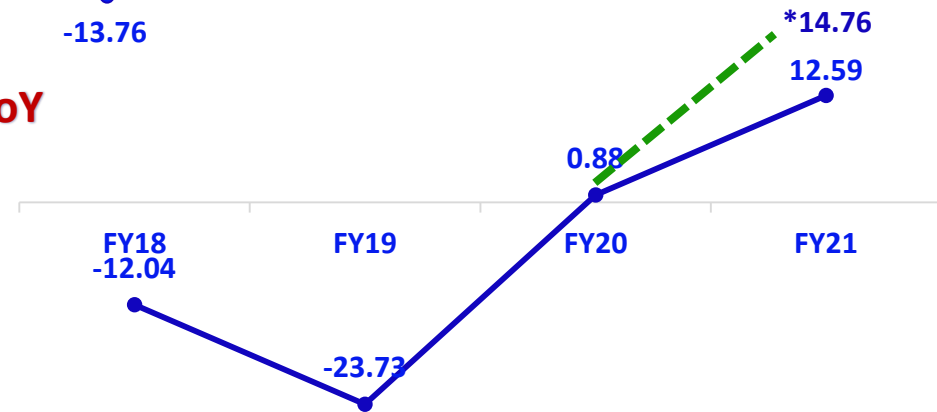
EPS

(in Rs)

QoQ

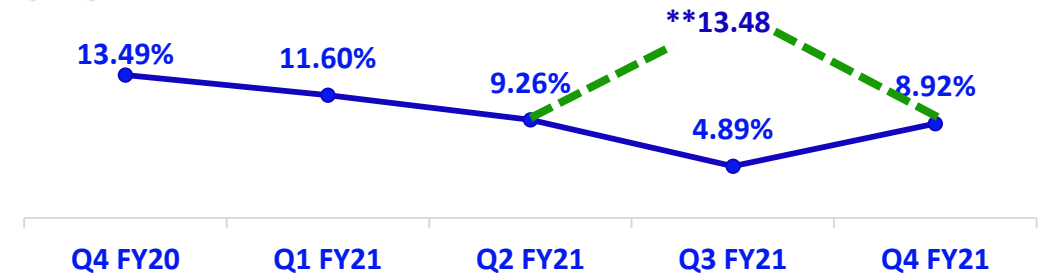


YoY

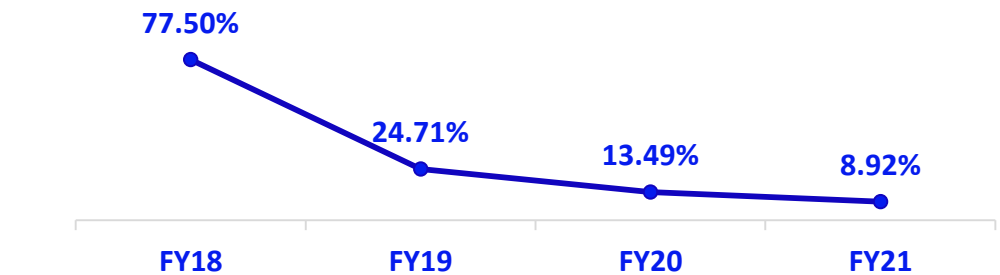


Net NPA to Networth

QoQ



YoY

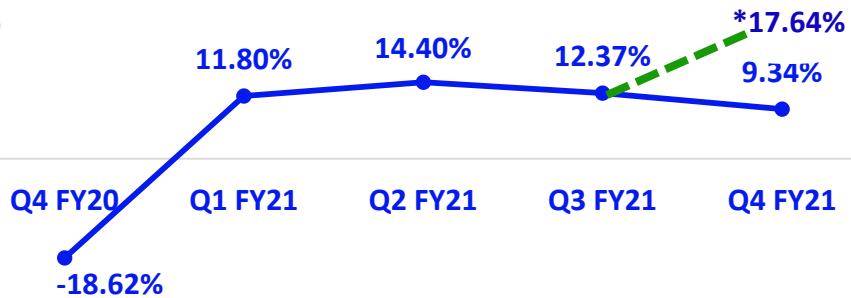


*One off expenses – Depreciation policy/As15 assumptions impact ** Proforma NPA impact

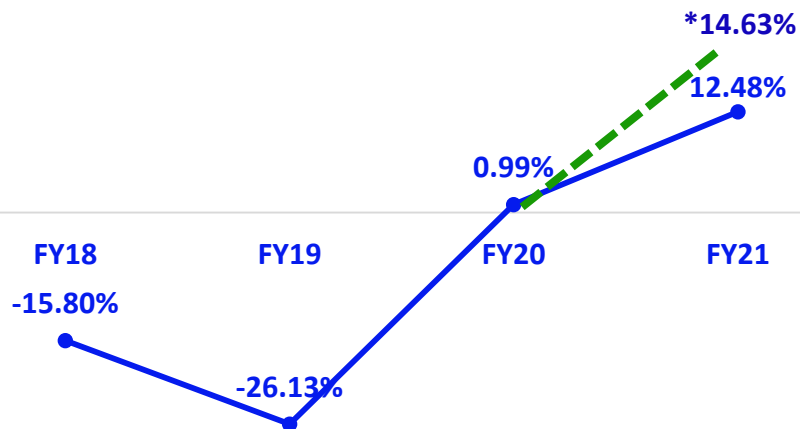
Share Holders Return & Risk Ratios

RoE

QoQ



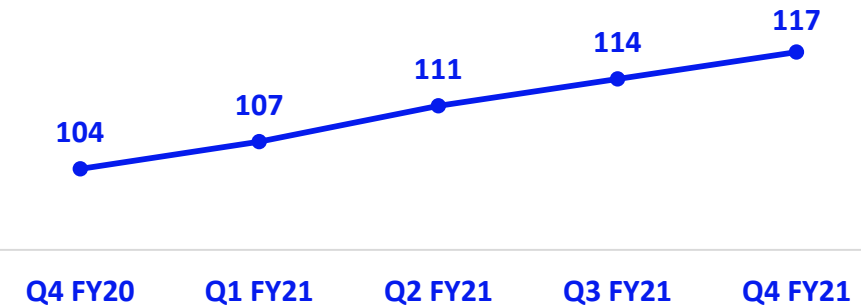
YoY



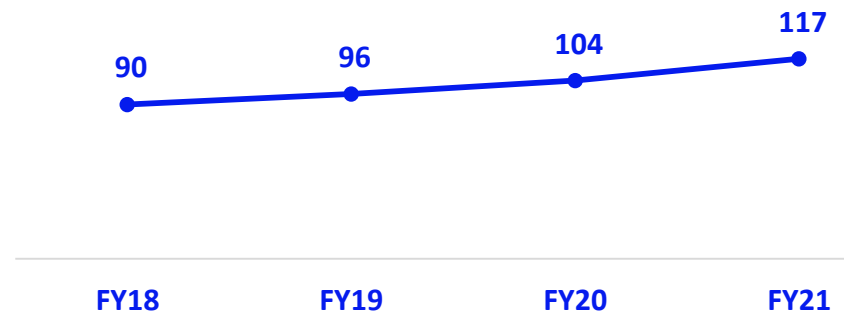
Book Value per Share

(in Rs)

QoQ



YoY

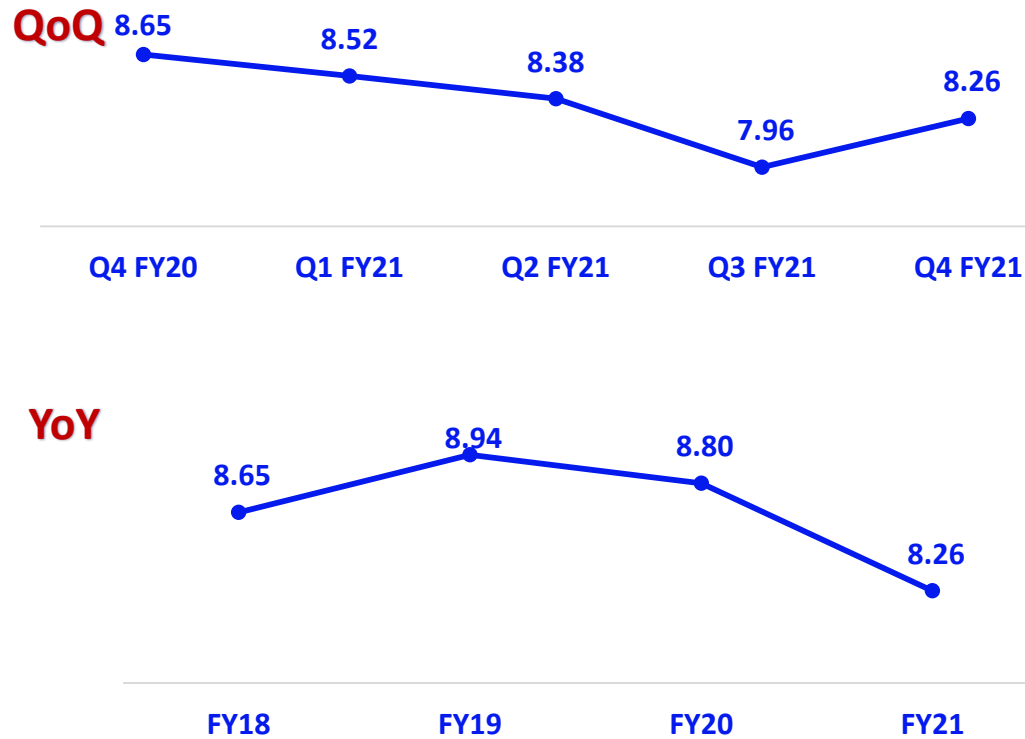


*One off expenses – Depreciation policy/As15 assumptions impact

Efficiency Ratios

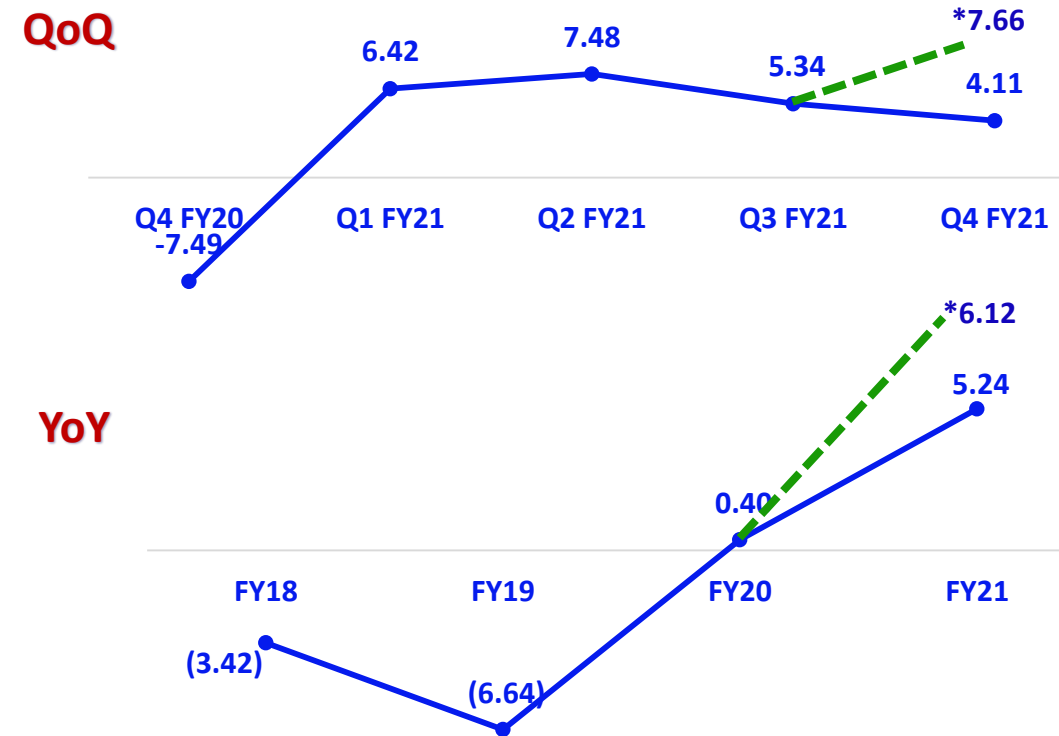
Business per Employee

(In Cr)



Profit per Employee

(in Lakhs)



*One off expenses – Depreciation policy/As15 assumptions impact

Company
Overview

Business
Overview

Earnings

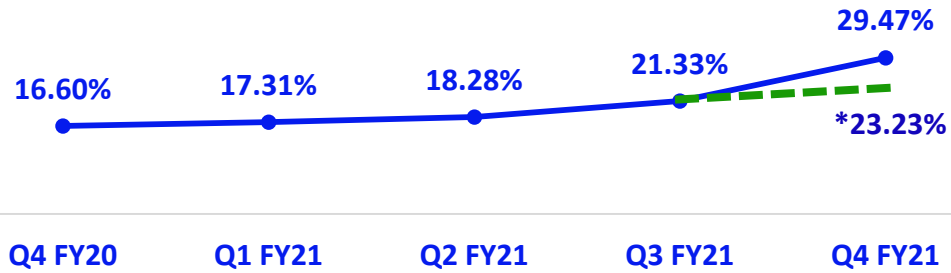
Digital
Penetration

Strategy

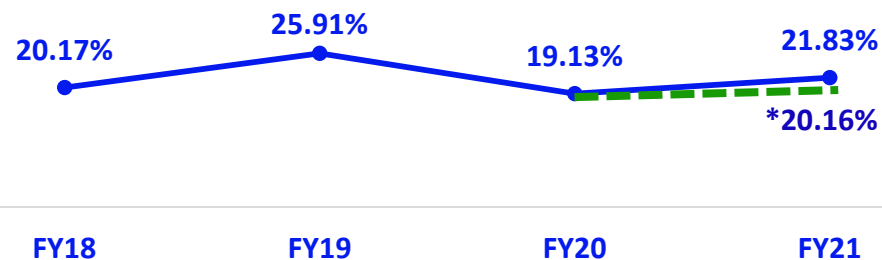
Efficiency Ratios

Staff Cost to Total Income

QoQ

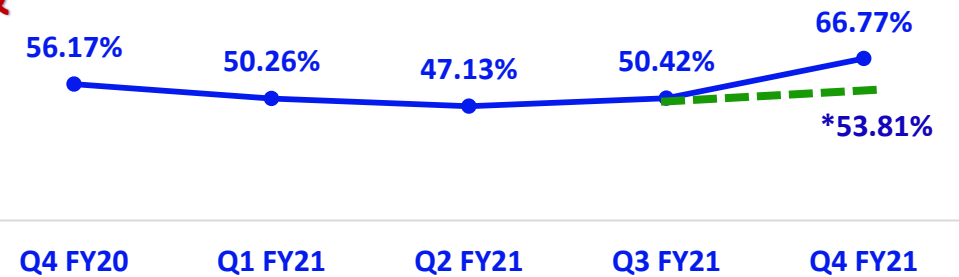


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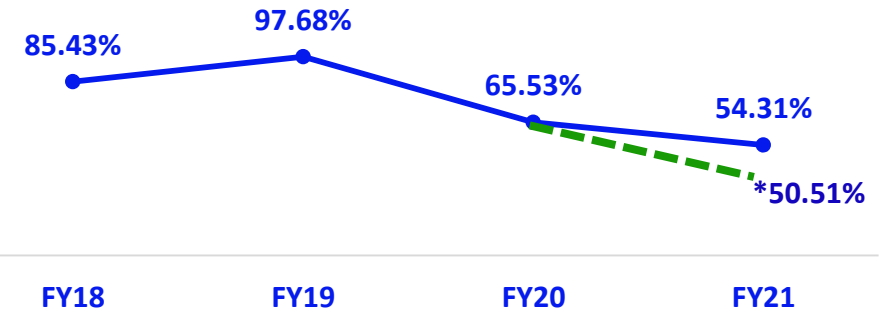


Cost to Income Ratio

QoQ



YoY



*One off expenses – Depreciation policy/As15 assumptions impact

Company
Overview

Business
Overview

Earnings

Digital
Penetration

Strategy

Digital Touch Points



1,760 Installations



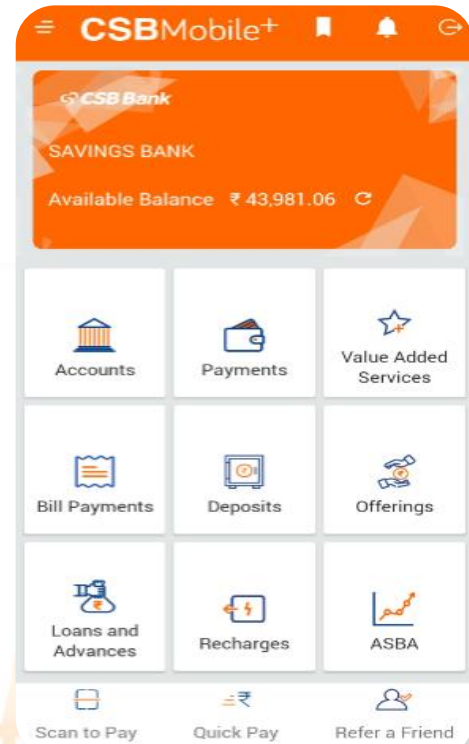
5.84 lacs + Debit Cards



3.1 lacs+ Net
Banking users



320 ATM
Network



2.79 lacs+ Mobile
Banking Users



2,572+ QR
Installations



66,826+ ePassbook
Downloads



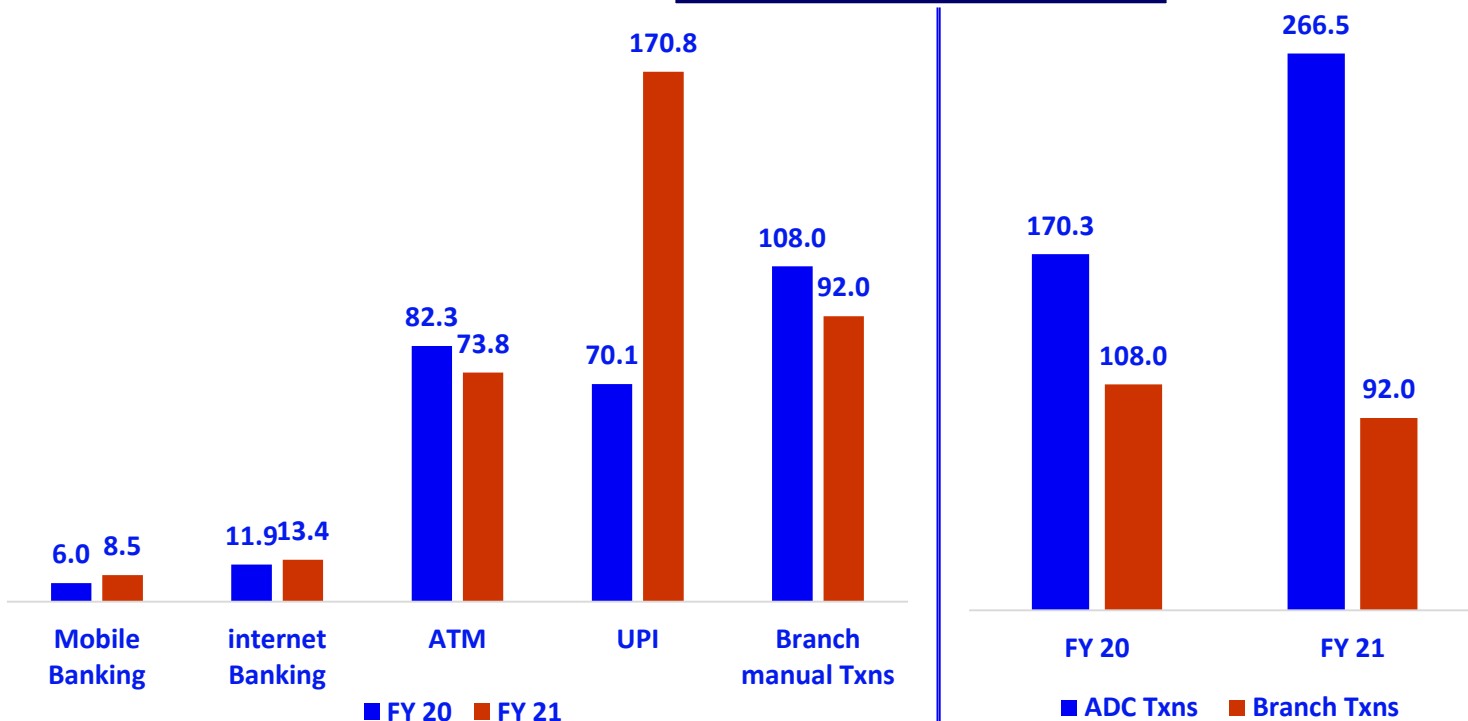
78,660+ Prepaid
Cards



1.50 lac+ UPI
Downloads

Channel Transactions

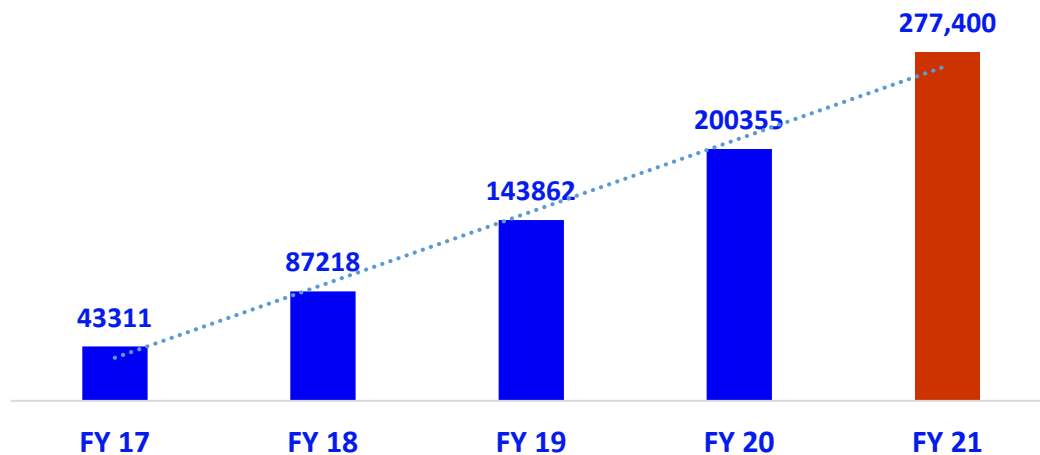
Digital vs Branch



	No. of txns	
	FY20 (In lakh)	FY 21 (In lakh)
Mobile Banking	6.0	8.5
Internet Banking	11.9	13.4
Debit Cards	82.3	73.8
UPI	70.1	170.8
Branch txns	108.0	92.0
Total Channel Transactions	170.3	266.5
% of channel txns	61.19%	74.33%

CSB Mobile+ App - Way to Go Digital

Mobile Banking signups



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

Upcoming Digital Projects



CSB E-Tax Filing



Chatbot in Mobile App



BBPS in Net/Mobile Banking



Up gradation of CSB Mobile+ with Collect payments



Loyalty Rewards program for customers



Tap & Pay Cards (Contactless)



FASTag /National Electronic Toll Collections

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

- Branch Distribution Strategy
- Building a large Customer Franchise
- Stabilising the existing Verticals and formation of new verticals as required
- Building the right performance culture
- Improved focus on non-Gold Retail Portfolio
- Maintaining robust capital and liquidity base
- Building strong balance sheet
- Better Compliance Culture

Thank You...

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