

CSFB.2024-25/341

October 24, 2024

BSE Limited
Listing Compliance
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Maharashtra

National Stock Exchange of India Limited
The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai - 400 051
Maharashtra

Scrip Code: 544120, 951995 & 953739

Symbol: CAPITALSFB

Subject: Outcome of Board Meeting of Capital Small Finance Bank Limited ("the Bank") held on October 24, 2024

Ref: Regulation 30, 33 and 51, 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Respected Sir/Madam,

In continuation to our letter dated October 18, 2024 intimating about the Board meeting, it is hereby informed that the Board of Directors of the Bank at its meeting held on October 24, 2024 has inter-alia, considered and approved the following:

1. Approved the Un-audited Financial Results of the Bank for the Quarter and Half year ended September 30, 2024.
2. Approved and recommended the re- appointment of Mr. Navin Kumar Maini (DIN: 00419921) as Part Time chairman of the Bank w.e.f April 24, 2025 till January 29, 2027 at terms as decided by the Board.
3. Approved and recommended the re- appointment of Mr. Sarvjit Singh Samra (DIN: 00477444) as Managing Director and CEO of the Bank w.e.f April 24, 2025 for 3 years i.e till April 23, 2028 at terms as decided by the Board.

A copy of the unaudited financial results of the Bank for the Quarter and half year ended September 30, 2024 along with the Limited review report thereon issued by M/s SCV & Co. LLP, Chartered Accountants, Statutory Auditors of the Banks and the line items prescribed under Regulation 52(4) of the Listing Regulations is enclosed herewith as **Annexure – 1** and the same is also available on the Bank's website at www.capitalbank.co.in.

Further, Investor Presentation of the above mentioned Results are enclosed herewith as **Annexure – 2**.

The Board meeting commenced at 02:00 p.m and concluded at 05:50 p.m.

Capital Small Finance Bank Limited

Pursuant to the Regulation 52(7) of the Listing Regulations, we confirm that the issue proceeds of the listed non-convertible debt securities have been fully utilized and that there are no deviations in the use of the said proceeds from the object stated in the Information Memorandum(s)/Disclosure Documents.

Pursuant to SEBI Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023, please find enclosed herewith requisite information on Security Cover including compliance with all the covenants as **Annexure – 3** in respect of the listed unsecured non-convertible debentures (NCDs) issued by the Bank.

We request you to take note of the results in terms of the all applicable provisions of the Listing Regulations.

This is for your information and records.

Thanking You,

Yours faithfully,

For **Capital Small Finance Bank Limited**

Amit Sharma
Company Secretary & Compliance Officer
Membership No.: F10888

Encl: as above

Independent Auditors' Limited Review Report on the Unaudited Financial Results of Capital Small Finance Bank Limited for the Quarter and Half year ended September 30, 2024, pursuant to the Regulations 33 and 52 read with Regulation 63 (2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors
Capital Small Finance Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results of Capital Small Finance Bank Limited (hereinafter referred to as "the Bank") for the quarter and half year ended September 30, 2024 ("the Statement"), attached herewith, being submitted by the Bank pursuant to the requirement of Regulations 33 and 52 read with 63(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("Listing Regulations") except for the disclosures relating to Pillar 3 disclosures as at September 30, 2024, "Leverage Ratio", "Liquidity Coverage Ratio", and "Net Stability Funding Ratio" which have been disclosed on Bank's website and in respect of which a link has been provided in Note 14 of the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ("RBI") from time to time ("the RBI Guidelines") and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to issue a conclusion on the Statement based on our review.
3. 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 Statement is free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial reporting", prescribed under Section 133 of the Act as amended, read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in accordance with the Listing Regulations, 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.



Other Matter

5. The comparative financial information of the Bank for the quarter and half year ended September 30, 2023, included in the Statement has been subjected to limited review by the predecessor auditor. The report of the predecessor auditor dated November 08, 2023, on this comparative financial information expressed an unmodified conclusion.

Our Conclusion is not modified in respect of the above matter.

FOR SCV & CO. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089



A handwritten signature in blue ink, appearing to be "Sunny Singh", written over a set of horizontal lines.

SUNNY SINGH
PARTNER
MEMBERSHIP No: 516834
ICAI UDIN: 24516834BKBML9190

Place: Noida
Date: October 24, 2024

CAPITAL SMALL FINANCE BANK LIMITED

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CIN: L65110PB1999PLC022634

Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2024

(₹ in lacs except otherwise stated)

S. No	Particulars	Quarter ended			Half Year ended		Year ended
		September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
		Unaudited Refer Note 7	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	22,359	21,848	19,707	44,207	38,598	79,433
	(a) Interest/discount earned on advances/bills	17,848	16,846	15,602	34,694	30,494	62,435
	(b) Income on Investments	3,017	3,002	2,686	6,019	5,301	11,216
	(c) Interest on balances with Reserve Bank of India and other interbank funds	1,452	1,959	1,337	3,411	2,691	5,564
	(d) Others	42	41	82	83	112	218
2	Other Income (refer note 12)	2,570	1,659	1,586	4,229	2,924	6,808
3	Total Income (1)+(2)	24,929	23,507	21,293	48,436	41,522	86,241
4	Interest Expended	12,267	11,938	11,263	24,205	21,501	44,918
5	Operating Expenses (i)+(ii)	7,838	7,314	6,631	15,152	12,483	25,833
	i. Employee cost	3,739	3,570	3,111	7,309	6,140	12,458
	ii. Other operating expenses	4,099	3,744	3,520	7,843	6,343	13,375
6	Total Expenditure (4)+(5) (excluding provisions and contingencies)	20,105	19,252	17,894	39,357	33,984	70,751
7	Operating Profit before Provisions and Contingencies (3)-(6)	4,824	4,255	3,399	9,079	7,538	15,490
8	Provisions (other than tax) and Contingencies	391	238	175	629	325	669
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7)-(8)-(9)	4,433	4,017	3,224	8,450	7,213	14,821
11	Tax Expense	1,099	1,015	795	2,114	1,774	3,668
12	Net Profit from Ordinary Activities after tax (10)-(11)	3,334	3,002	2,429	6,336	5,439	11,153
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit for the period (12)-(13)	3,334	3,002	2,429	6,336	5,439	11,153
15	Paid up equity share capital (Face Value of ₹10/- each)	4,507	4,504	3,535	4,507	3,535	4,504
16	Reserves excluding Revaluation Reserves	-	-	-	-	-	1,15,238
17	Analytical Ratios and other disclosure						
	i. Percentage of shares held by Government of India	-	-	-	-	-	-
	ii. Capital Adequacy Ratio (Refer Note 13)	26.34%	26.25%	20.72%	26.34%	20.72%	27.39%
	Tier-I Ratio	22.19%	22.03%	15.26%	22.19%	15.26%	22.80%
	iii. Earnings per share (before and after extraordinary items, net of tax expense)						
	Basic EPS (₹) (non-annualized)	7.41	6.66	6.85	14.07	15.59	30.65
	Diluted EPS (₹) (non-annualized)	7.35	6.62	6.80	13.97	15.49	30.45
	iv. NPA Ratios						
	(a) Gross NPAs	17,532	17,186	16,042	17,532	16,042	17,018
	(b) Net NPAs	8,544	8,495	7,867	8,544	7,867	8,508
	(c) % of Gross NPAs to Gross Advances	2.61%	2.69%	2.73%	2.61%	2.73%	2.76%
	(d) % of Net NPAs to Net Advances	1.29%	1.35%	1.36%	1.29%	1.36%	1.40%
	v. Return on Assets ¹ (non-annualized)	0.35%	0.32%	0.28%	0.67%	0.64%	1.27%
	vi. Net worth ²	1,26,073	1,23,107	71,176	1,26,073	71,176	1,19,742
	vii. Operating Margin ³	19.35%	18.10%	15.97%	18.74%	18.16%	17.96%
	viii. Net Profit Margin ⁴	13.37%	12.77%	11.41%	13.08%	13.10%	12.93%
	ix. Debt Equity Ratio ⁵	0.31	0.38	0.80	0.31	0.80	0.39
	x. Total Debt to Total Assets ⁶	4.08%	4.85%	6.83%	4.08%	6.83%	5.08%
	xi. Outstanding redeemable preference shares ⁷	-	-	-	-	-	-
	xii. Capital redemption reserve ⁸	-	-	-	-	-	-
	xiii. Debenture redemption reserve ⁸	-	-	-	-	-	-

¹Return on Assets means the ratio of profit after tax to average monthly total assets

²Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

³Operating Margin means Operating profit before provisions and contingencies to the total income

⁴Net Profit Margin means Net Profit to total income

⁵The Bank follows the guidelines issued by the Reserve Bank of India (RBI) from time to time with regard to the Capital Adequacy Ratio. Accordingly, debt-equity ratio is not applicable on the Bank. However, the Debt Equity Ratio is calculated as total borrowings to share capital plus reserves

⁶Total Debts to Total assets means the ratio of total borrowings to total assets

⁷The Bank has not issued any redeemable preference shares

⁸As per the Companies Act, 2013, the Bank is not required to create capital/debenture redemption reserve. However, the Bank has created Recovery Expense Fund Account with BSE Limited

*Being a Banking Company, the following ratio disclosure is not applicable as per SEBI (LODR), 2015 & Indian Banks' Association (IBA) letter bearing reference no. COB/Cir/LoRD/2021-22/10718 dated December 22, 2021:

- | | |
|--------------------------------------|--|
| 1. Debt Service Coverage Ratio | 5. Bad Debts to Account Receivable Ratio |
| 2. Interest Service Coverage Ratio | 6. Current Liability Ratio |
| 3. Current Ratio | 7. Debtors Turnover |
| 4. Long term Debt to Working Capital | 8. Inventory Turnover |



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Segment information in accordance with Accounting Standard on Segment Reporting (AS-17) and the RBI Guidelines of the operating segment of the Bank

S. No.	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
		Unaudited Refer Note 7	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		(₹ in lacs)					
1	Segment Revenue						
a)	Treasury	4,549	4,961	3,810	9,510	7,944	16,862
b)	Retail Banking	21,479	20,988	19,009	42,467	37,519	77,475
c)	Wholesale Banking	2,363	1,949	1,827	4,312	3,317	6,714
d)	Other Banking Operations	1,218	777	785	1,995	1,187	3,095
e)	Unallocated	-	-	-	-	-	-
	Less: Inter Segment Revenue	(4,680)	(5,168)	(4,138)	(9,848)	(8,445)	(17,905)
	Income from Operations	24,929	23,507	21,293	48,436	41,522	86,241
2	Segment Results						
a)	Treasury	289	131	80	420	443	355
b)	Retail Banking	6,918	5,907	5,128	12,825	10,702	20,412
c)	Wholesale Banking	446	130	181	576	344	634
d)	Other Banking Operations	1,160	715	731	1,875	1,061	2,865
e)	Unallocated	-	-	-	-	-	-
	Total	8,813	6,883	6,120	15,696	12,550	24,266
	Less: (i) Interest	(631)	(647)	(658)	(1,278)	(1,298)	(2,614)
	(ii) Other Unallocable Expenditure net off Unallocable Income	(3,749)	(2,219)	(2,238)	(5,968)	(4,039)	(6,831)
	Total Profit Before Tax	4,433	4,017	3,224	8,450	7,213	14,821
3	Segment Assets						
a)	Treasury	2,26,057	2,57,957	1,93,127	2,26,057	1,93,127	2,52,766
b)	Retail Banking	6,33,500	6,14,305	5,75,730	6,33,500	5,75,730	5,98,165
c)	Wholesale Banking	89,644	82,711	64,880	89,644	64,880	72,572
d)	Other Banking Operations	1,097	652	584	1,097	584	442
e)	Unallocated	5,788	5,538	4,748	5,788	4,748	5,583
	Total Assets	9,56,086	9,61,163	8,39,069	9,56,086	8,39,069	9,29,528
4	Segment Liabilities						
a)	Treasury	-	4,000	-	-	-	-
b)	Retail Banking	7,46,312	7,55,804	6,93,059	7,46,312	6,93,059	7,25,839
c)	Wholesale Banking	54,397	50,147	45,781	54,397	45,781	54,160
d)	Other Banking Operations	2	1	4	2	4	32
e)	Unallocated	28,809	27,874	29,049	28,809	29,049	29,755
	Total	8,29,520	8,37,826	7,67,893	8,29,520	7,67,893	8,09,786
5	Capital and Reserves	1,26,566	1,23,337	71,176	1,26,566	71,176	1,19,742
6	Total (4+5)	9,56,086	9,61,163	8,39,069	9,56,086	8,39,069	9,29,528

-The Bank is operating in domestic segment, so there is only one geographic segment.

-Inter Segment transactions are based on transfer pricing as determined by the management.

-The RBI vide its circular dated April 07, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The Bank has not setup any DBU so far and hence DBU has not been disclosed as a separate segment.

Notes:

1. Statement of Assets and Liabilities is as below:

Particulars	(₹ in lacs)		
	As at September 30, 2024	As at September 30, 2023	As at March 31, 2024
	Unaudited	Unaudited	Audited
CAPITAL AND LIABILITIES			
Capital	4,507	3,535	4,504
Reserves and Surplus	1,22,059	67,641	1,15,238
Deposits	7,77,965	7,00,029	7,47,774
Borrowings	39,002	57,276	47,225
Other Liabilities and Provisions	12,553	10,589	14,787
Total	9,56,086	8,39,069	9,29,528
ASSETS			
Cash and Balances with Reserve Bank of India	48,257	50,246	56,898
Balances with Banks and Money at call and short notice	49,119	35,014	75,218
Investments	1,75,076	1,54,946	1,70,571
Advances	6,62,860	5,78,419	6,07,469
Fixed Assets	8,370	8,076	8,373
Other Assets	12,404	12,369	10,999
Total	9,56,086	8,39,069	9,29,528
Contingent Liabilities	6,969	5,292	6,300
Bills for Collection	-	-	-



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2. Cash Flow Statement is as below:

Particulars	(₹ in Lacs)		
	Half Year ended September 30, 2024	Half Year ended September 30, 2023	Year ended March 31, 2024
	Unaudited	Unaudited	Audited
Cash Flow from Operating Activities			
Net Profit before Taxes	8,450	7,213	14,821
Adjustment For:			
Depreciation Charge on Fixed Assets	845	856	1,690
Loan Loss Provision	630	325	669
(Profit)/Loss on Sale of Fixed Assets	(2)	2	(12)
Employee Stock Option Expense	301	121	419
Depreciation/(Reversal of Depreciation) on Investments	-	79	(74)
Operating profit before working capital changes	10,224	8,596	17,513
Adjustment For:			
Decrease/(Increase) in Term Deposits with other Banks	23,227	10,691	(26,717)
(Increase) in Investments (other than HTM Investments)	(154)	(5,422)	(7,187)
(Increase) in Advances	(55,868)	(35,867)	(65,253)
Increase In Deposits	30,191	43,966	91,712
(Increase)/Decrease in Other Assets	(1,523)	(1,231)	375
(Decrease)/Increase in Other Liabilities & Provision	(2,386)	765	4,955
Cash Flow from Operating Activities	3,711	21,498	15,398
Direct Taxes Paid (net of refunds)	(2,179)	(1,906)	(4,100)
Net Cash Flow from Operating Activities	1,532	19,592	11,298
Cash Flow from Investing Activities			
Purchase of Fixed Assets	(858)	(679)	(1,845)
Proceeds from Sale of Fixed Assets	18	5	54
Investments in HTM securities (Net)	(3,461)	(745)	(14,452)
Net Cash Flow used in Investing Activities	(4,301)	(1,419)	(16,243)
Cash Flow from Financing Activities			
Proceeds from issue of share capital including Share Premium	20	4,978	50,053
Share issue expenses	-	-	(2,458)
Net Proceeds from the new issue of Unsecured Redeemable Non-Convertible Bonds/ (Redemption of Bonds)	(947)	2,286	2,286
Net (Decrease) in Borrowings/ Refinance	(7,276)	(17,148)	(27,199)
Dividend Payment (Including Tax on Dividend)	(541)	(424)	(424)
Net Cash Flow (used in)/from Financing Activities	(8,744)	(10,308)	22,258
Net (Decrease)/Increase in Cash & Cash Equivalent	(11,513)	7,865	17,313
Cash & Cash Equivalents in the beginning of the period/year	66,507	49,194	49,194
Cash & Cash Equivalents at the end of the period/year	54,994	57,059	66,507

3. The above financial results for the quarter and half year ended September 30, 2024 have been reviewed by the Audit Committee at its meeting held on October 23, 2024 and were recommended to the Board of Directors for approval. The Board of Directors of the Bank have considered and approved the same at its meeting held on October 24, 2024. The results have been subjected to limited review by the Statutory Auditors of the Bank and they have issued their unmodified review report thereon. The figures of the half year ended September 30, 2023 were subjected to limited review under regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, by the previous auditors.
4. These financial results of the Bank have been prepared in accordance with Banking Regulation Act 1949, generally accepted accounting principles in India, recognition and measurement principles laid down in Accounting Standard -25 'Interim Financial Reporting' ('AS-25'), as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to the Bank, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (the "RBI Guidelines") and is in compliance with the presentation and disclosure requirements of Regulation 33 and 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
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, 2024 except for:
 - a. Classification, measurement and valuation of the Bank's investments which are carried out in accordance with RBI Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023 ('the RBI Investment Master Directions') effective from April 01, 2024. Consequently, the Bank has accounted net gain of ₹299 lacs (net of applicable taxes) in General Reserve, resulting into net positive impact on the net worth of the Bank as on date of transition, i.e., April 01, 2024. The Bank has also transferred balance in Investment Reserve amounting to ₹95 lacs to the General Reserve in compliance with these Directions. Further, the Bank has recognized:
 - i. During the quarter ended September 30, 2024, a net gain of ₹264 lacs (net of applicable taxes) and during the half year ended September 30, 2024, a net gain of ₹367 lacs (net of applicable taxes) on account fair value of instruments in the AFS-Reserve;
 - ii. During the quarter and half year ended September 30, 2024, a net gain of ₹16 lacs in the Profit & Loss account on account of fair value of instrument in FVTPL category; and



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- iii. During the quarter ended September 30, 2024, a credit of ₹7 lacs and during the half year ended September 30, 2024 a credit of ₹30 lacs in the Profit & Loss Account on account of discount/premium amortisation.
 The figures of the quarter and half year ended September 30, 2024 are not comparable with that of the previous period/s, to that extent.
- b. With effect from May 15, 2024, the Bank has changed its policy in respect of the order of priority, for appropriation of recoveries in non-performing accounts. The impact of the such change on the financial results is not material.
6. Any application guidance /clarifications /circulars /directions issued by the RBI or other regulators are implemented prospectively as and when they become applicable, unless specifically required under those application guidance /clarifications /circulars /directions otherwise.
7. The figures of the quarter ended September 30, 2024 are the balancing figures between figures in respect of the year-to-date figures upto September 30, 2024 and the published figures upto June 30, 2024.
8. During the quarter and half year ended September 30, 2024, the Bank has allotted 26,667 equity shares pursuant to the exercise of options under the approved employee stock option schemes.
- During the year ended March 31, 2024, the Bank has issued and allotted:
- 96,15,384 equity shares having face value of ₹10/- each at a premium of ₹458/- (i.e., at the total issue price of ₹468/-) per equity share aggregating to ₹45,000 lacs, as public issue in Initial Public Offering (IPO) and got listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on February 14, 2024 for which the Bank has incurred share issue expenses of ₹2,458 lacs towards IPO activity which has been charged off to share premium account in accordance with section 52 of Companies Act, 2013 ;
 - 10,57,700 equity shares having face value of ₹10/- each at a premium of ₹458/- (i.e., at the total issue price of ₹468/-) per equity share aggregating to ₹4,950 lacs on a private placement basis under preferential allotment; and
 - 1,16,982 equity shares to employees of the Bank in form of employee stock option as per the ESOP plans of the Bank.
9. Post approval by the members in the Annual General Meeting held on August 30, 2024, during the quarter and half year ended September 30, 2024, the Bank has paid the final dividend for the year ended March 31, 2024 of ₹1.20 per equity share having face value of ₹10 each.
10. Details of restructuring under "Resolution Framework – 1.0: Resolution Framework for COVID-19-related Stress" and "Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses" during the half year ended September 30, 2024 is as under:

(₹ in lacs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as on March 31, 2024 (A) ¹	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 borrowers during the half-year ²	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as on September 30, 2024
Personal Loans	1,341	31	-	18	1,292
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	122	9	-	24	89
Total	1,463	40	-	42	1,381

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

¹ includes requests received till September 30, 2021 implemented subsequently

² Net of increase in exposure during the period

11. During the quarter and half year ended September 30, 2024, the Bank has not transferred/acquired any stressed loan or loan not in default under the master directions of Reserve Bank of India on Transfer of Loan Exposures dated September 24, 2021, updated as on December 05, 2022.
12. Other income relates to income from commission, exchange & brokerage, profit/fee earned on sale of third-party products, profit/loss on sale/revaluation on investments, profit on exchange transactions, etc.
13. Capital to risk-weighted asset ratio of the Bank has been computed in accordance with the Reserve Bank of India ('RBI') circular no DBR. NBD. No.26/ 16.13.218/2016-17, dated October 06, 2016 on "Operating Guidelines for Small Finance Banks". The Bank has followed Basel II Standardized Approach for credit risk. Market risk and operation risk has not been considered for measurement of Capital Adequacy Ratio as per the letter issued by the Reserve Bank of India vide reference number DBR.NBD.No.4502/16.13.218/2017-18 dated November 08, 2017 to all the small finance banks.
14. In accordance with the Reserve Bank of India guidelines, Pillar 3 disclosure, leverage ratio, liquidity coverage ratio, net stable funding ratio and main features of capital instruments are available at <https://www.capitalbank.co.in/investors/regulatory-disclosures>. The disclosure has not been subjected to limited review.
15. Figures of the previous periods/years have been regrouped/reclassified wherever necessary to conform to current period's classification.

For and on behalf of the Board of Directors of
 Capital Small Finance Bank Limited


 Sarjit Singh Samra
 Managing Director
 DIN: 00477444

Date: October 24, 2024
 Place: Jalandhar





Capital Small Finance Bank 

**Investor Presentation
Q2FY25**

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Capital Small Finance Bank Limited (the “Company”)**, have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward-looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time by or on behalf of the Company.

Differentiated Bank focused on middle-income segment

Experience of over 2 decades in the Banking Industry*



Diversified Credit Portfolio with Zero direct Microfinance Exposure

Advances: INR 6,718 Cr
+15% YoY

- Diversified Loan book with Zero direct Microfinance Exposure
- 99.8% secured loans
- Average Ticket Size (ATS) of INR 15.0 lakhs
- Loan book mix across Agricultural, Mortgage, MSME and Others



Embracing Retail Liability Strategy

Deposits: INR 7,780 cr
+11% YoY

- Retail focused liability franchise with retail-deposit share of 93.7%
- High CASA ratio resulting into lower Cost of Deposit
- High Rollover ratio of ~90% depicting a stable deposit base



Consistent Profitability Growth

PAT: INR 33 cr
+37% YoY

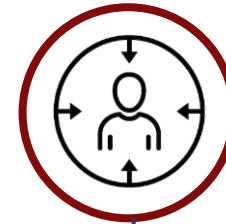
- Demonstrated and sustained improvements in return metrics
- ROA 1.4%
- Consistently increasing NIM, consequent to accelerating CD ratio



Robust Asset Quality

GNPA 2.6%; NNPA 1.3%

- One of the lowest write-offs in the Banking industry with zero NPA sell-off
- Credit Cost of 0.2%
- Strong underwriting capabilities, visibility of borrower cash-flow, primary banking approach; key contributor to low credit cost



Targeted towards Middle-income customer segment

7.5 Lakhs+ customers

- Focus on primary banking relationship
- Providing a holistic range of product suite across all branches and one-stop-shop for all the financial needs of the customers
- Emphasis on rural and semi-urban areas



Gross Advances

INR 6,718 crores

As of September 2024

+15% YoY
+5% QoQ
+9% YTD^



Profit After Tax

INR 33 crores (Q2FY25)

INR 24 crores (Q2FY24)

+37% YoY
+11% QoQ
+17% YTD*



CASA Ratio

37.1%



Retail Deposit Ratio

93.7%



Deposits

INR 7,780 crores

As of September 2024

+11% YoY
+4% YTD^



ROA

1.4% (Q2FY25)

1.1% (Q2FY24)



ROE

10.8%



CRAR

26.3%

Core CRAR 22.2%



Disbursement

INR 591 crores (Q2FY25)

+9% YoY
+33% YTD*



Asset Quality

2.6%/1.3% (Q2FY25)

2.7%/1.4% (Q2FY24)

GNPA/NNPA



Collection Efficiency

97.1%
(Q2FY25)



Branch Network

180 branches
across 5 states
And 2 Union Territory

CASA calculated as total CASA divided by total deposits

ROE is calculated as % of Avg Equity; ROA is calculated as % of Avg Assets

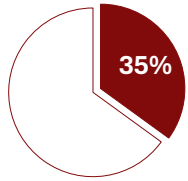
*YTD is H1FY25 OVER H1FY24

^YTD is H1FY25 vs FY24

Diversified Advance Portfolio.....

AUM of Rs
1,209 Cr

Agricultural Loans



- Kisan Credit Card
- Agricultural Term Loan

Rs. 2,340 crores
as of September 2024

Rs. 2,223 Crore (Q1FY25)
Rs. 2,267 Crore (Q2FY24)

Rs 1.24 Mn

Rs. 1.24 Mn (Q1FY25)
Rs. 1.24 Mn (Q2FY24)

1.77%

(1.69% Q1FY25)
(1.38% Q2FY24)

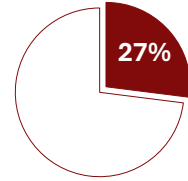
12.49%

(12.42% Q1FY25)



**Granular loan book
portfolio ATS of Rs.
0.15 Cr**

Mortgage Loans



- Housing Loan
- Loan Against Property

Rs. 1,794 crores
as of September 2024

Rs. 1,729 Crore (Q1FY25)
Rs. 1,529 Crore (Q2FY24)

Rs 1.22 Mn

Rs. 1.20 Mn (Q1FY25)
Rs. 1.15 Mn (Q2FY24)

0.84%

(0.95% Q1FY25)
(0.67% Q2FY24)

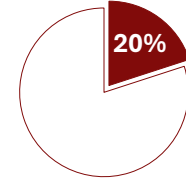
11.78%

(11.79% Q1FY25)



**Focus on middle-
income customer
segment**

MSME & Trading Loans



- Working Capital facility (CC / OD/WCTL)
- Project Financing
- Machinery Loans

Rs. 1,374 crores
as of September 2024

Rs. 1,312 Crore (Q1FY25)
Rs. 1,172 Crore (Q2FY24)

Rs 2.01 Mn

Rs. 1.97 Mn (Q1FY25)
Rs. 1.85 Mn (Q2FY24)

2.10%

(2.33% Q1FY25)
(3.18% Q2FY24)

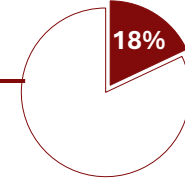
10.71%

(10.69% Q1FY25)



**Emphasis on secured
lending with 99%+
secured**

Other Loans



- Corporate loans:
- Term loans to NBFCs
 - Term Loans to MFIs

Rs. 725 crores
as of September 2024

Rs. 665 Crore (Q1FY25)
Rs. 483 Crore (Q2FY24)

Rs 205.37 Mn

Rs. 187.88 Mn (Q1FY25)
Rs. 158.18 Mn (Q2FY24)

NIL

(NIL Q1FY25)
(NIL Q2FY24)

11.14%

(11.13% Q1FY25)

- Consumption & other loans:
- Auto Loans
 - Personal Loans
 - Gold Loans

Rs. 485 crores
as of September 2024

Rs. 462 Crore (Q1FY25)
Rs. 415 Crore (Q2FY24)

Rs 0.77 Mn

Rs. 0.76 Mn (Q1FY25)
Rs. 0.68 Mn (Q2FY24)

0.33%

(0.38% Q1FY25)
(0.34% Q2FY24)

9.69%

(9.68% Q1FY25)



**Endeavour to be a full
suite banker for the
customer**

**Gross
Advances**



ATS



NNPA

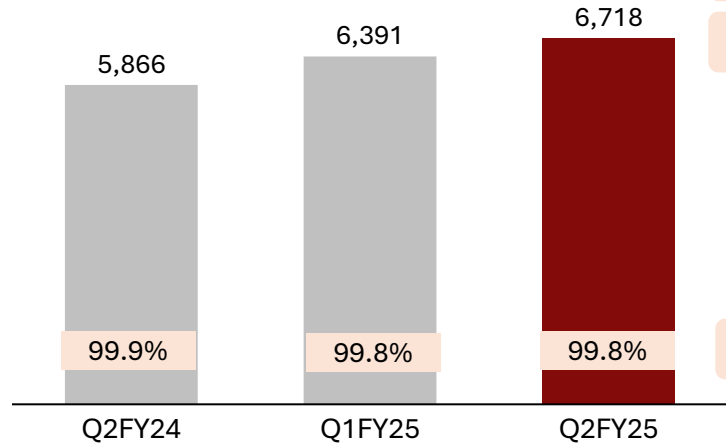


**Interest
Yield**

.....Secured Advance Portfolio

Gross Loan Book

In INR Crores



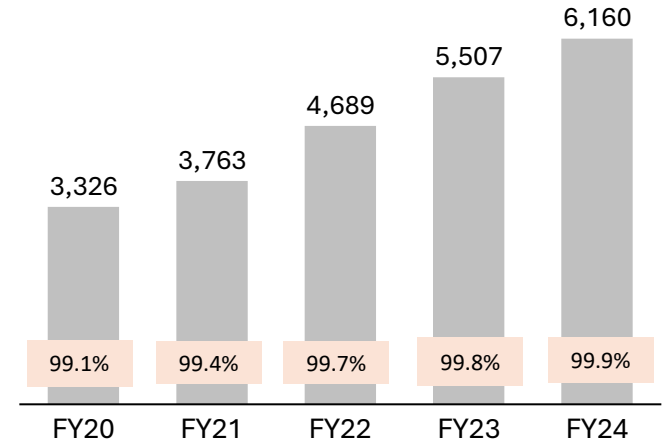
Secured Lending %

QoQ 5%

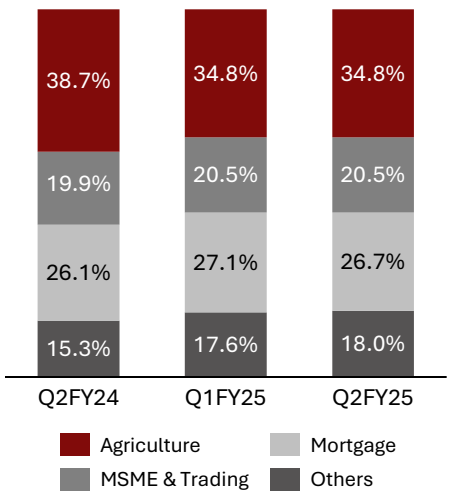
YoY 15%

YTD 9%

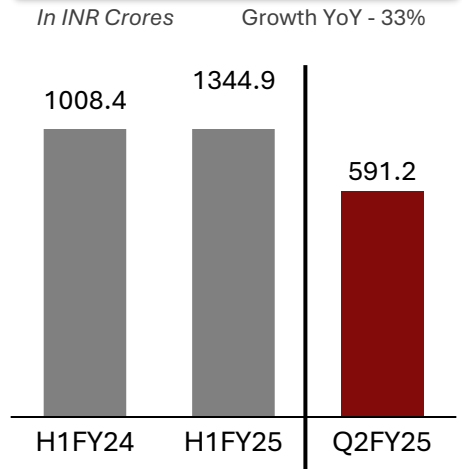
CAGR[^] - 19%



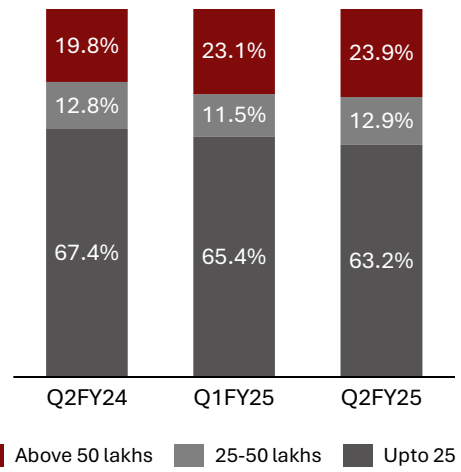
Diversified Portfolio & non reliance on MFI segment



Healthy Disbursement



Granular loan book

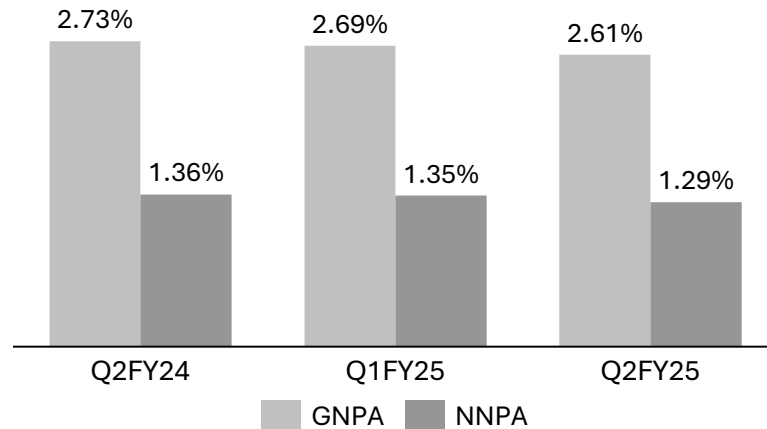


- Focus on middle income customer segment, with endeavour to be the full suite Banker (Portfolio ATS of INR 15 lacs)
- Diversified portfolio with each segment witnessed multiple cycles
- Continued focused on secured lending

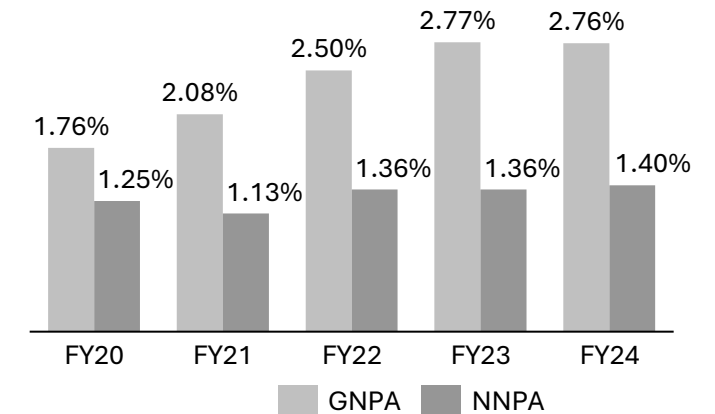
[^]CAGR (FY2019-24)

Numbers have been rounded off wherever applicable

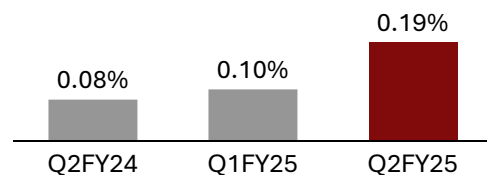
Asset Quality



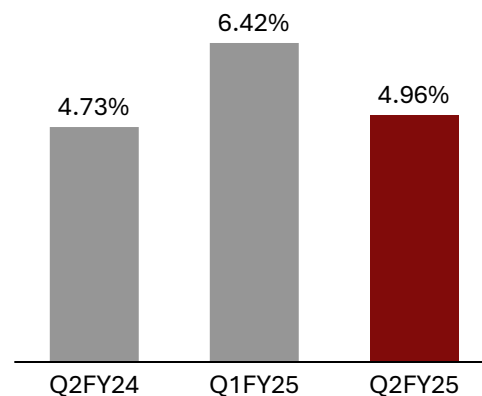
Asset Quality (YoY)



Credit Cost²



SMA 1 & 2 (%)



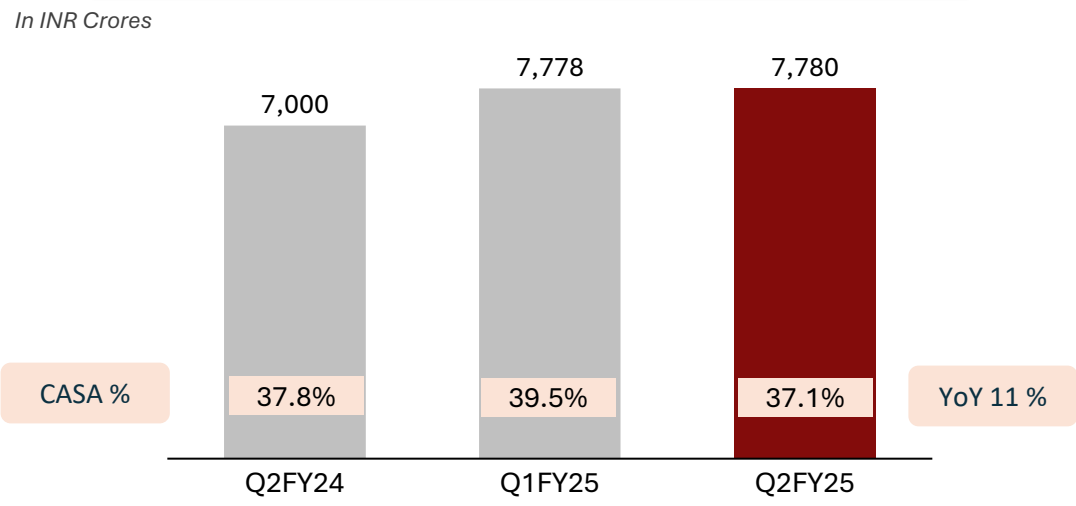
NPA Table (INR Crores)	Q2FY24	Q1FY25	Q2FY25
Opening NPAs	154.9	170.2	171.9
Additions	24.8	16.3	21.8
Upgradations & Recovery	19.3	14.6	18.3
Write offs	0.0	0.0	0.1
Closing NPAs	160.4	171.9	175.3

- Focus on secured products with strong underwriting capabilities resulting in one of the lowest NPAs
- Being PRIMARY BANKER, better visibility of borrowers' cash flow: follow conservative LTV approach
- Emphasis on collection and resolutions even for sticky loans – close to ZERO write-offs and NIL NPA sell-off

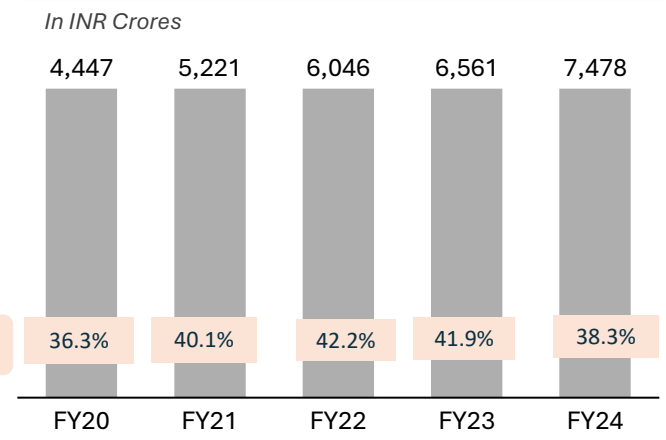
1. Write offs includes technical write offs
 2. Credit cost includes write offs, provisions for expected loan losses on standard assets; and recoveries from non – performing assets (NPAs)

Retail Focused Liability Franchise with High Share of CASA

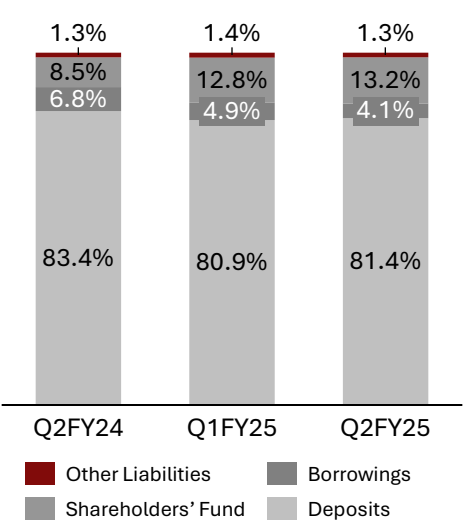
Total Deposits



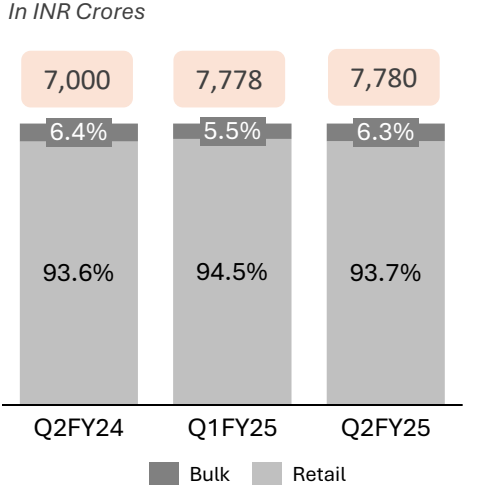
CAGR^ - 15%



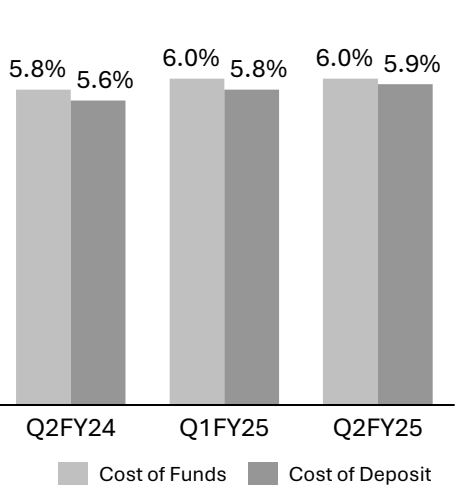
Funding Mix – Positively skewed towards Deposits



Retail centric deposit franchise



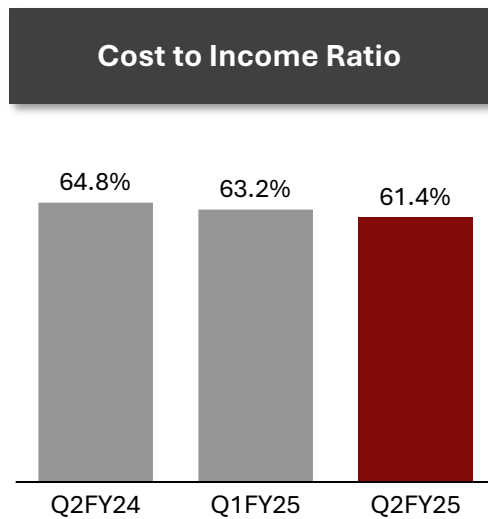
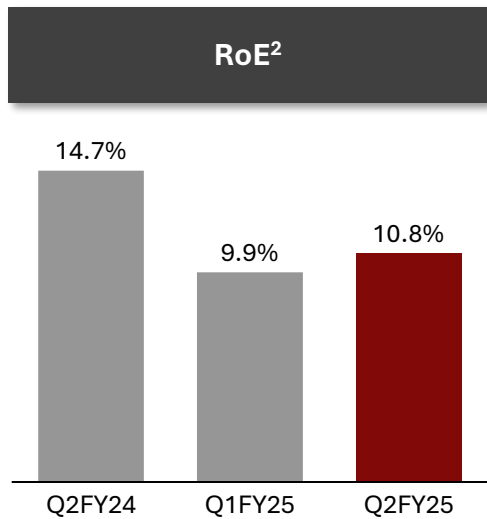
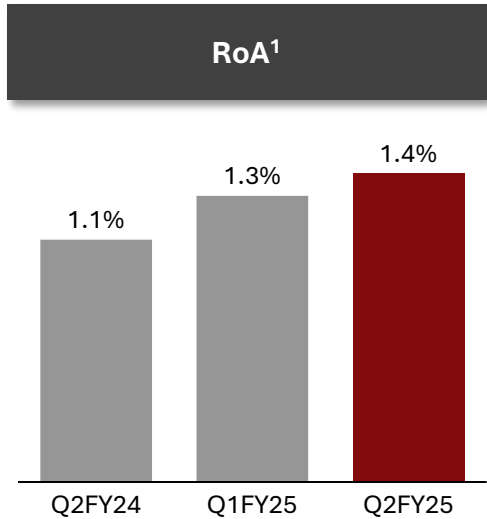
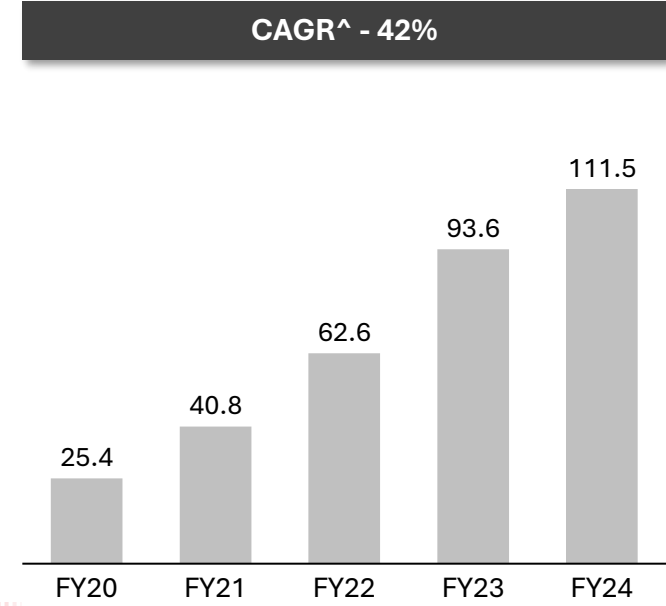
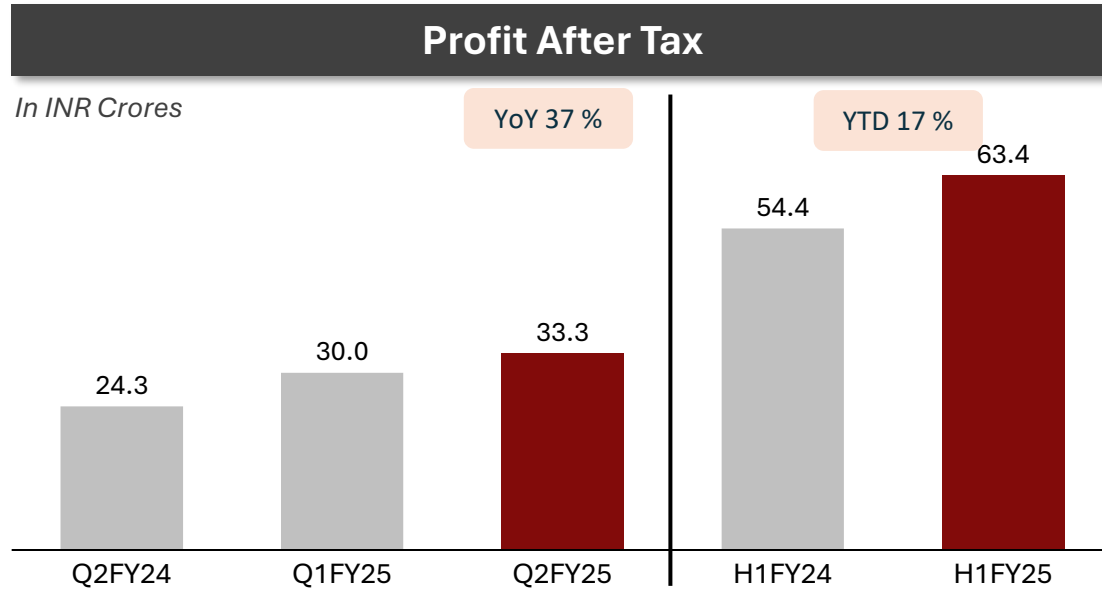
Leading to low financial cost



- **Consciously calibrated deposit growth** owing to low CD ratio and high leverage ratio before growth capital infusion
- **Ability to quickly ramp up deposit mobilization**
- **Focus on granular & retail centric deposits**, with negligible Bulk deposits
- **Consistent Rollover ratio of term deposits ~90%+**
- **Consistently maintaining high CASA ratio** (interest on saving bank accounts is 3.5%)

CASA calculated as total CASA divided by total deposits
^CAGR (FY2019-24)

Consistently Improving Profitability



- Demonstrated consistent improvement in return metrics: ROA 2.5x since FY19
- Growth drivers includes improving CD ratio resulting in acceleration in NIMs, operating leverage benefit and increasing non fund based income

1. ROA is calculated as % to Avg Assets
2. ROE is calculated as % of Avg Equity

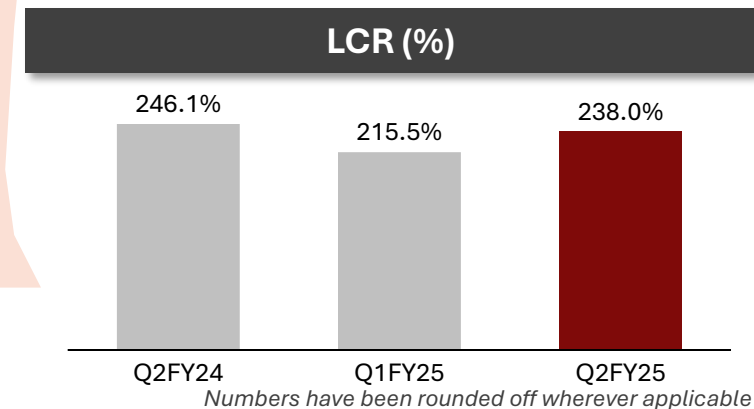
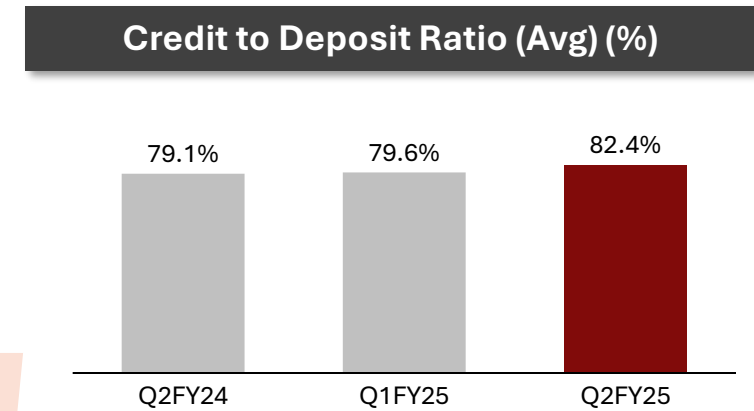
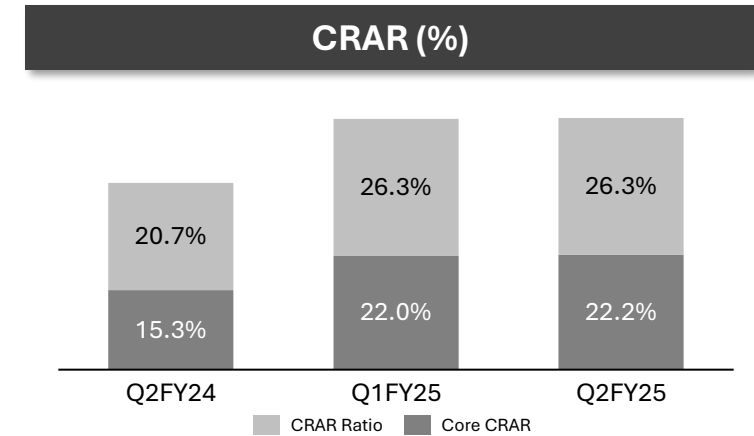
....And Return Ratios

Key Business Parameters	Q2FY24	Q1FY25	Q2FY25
Credit to deposit ratio (Avg) (%)	79.1	79.6	82.4
Credit to deposit ratio Outstanding	83.8	78.1	86.4
Yield on Advances %	11.2	11.2	11.3
Cost of Deposits %	5.6	5.8	5.9
Cost to Income ratio	64.8	63.2	61.4

Return Ratios %	Q2FY24	Q1FY25	Q2FY25
Net Interest Margin	4.0	4.2	4.2
Non-Interest Income	0.8	0.7	1.1
Operating Margin	1.7	1.8	2.1
Credit Cost	0.1	0.1	0.2
RoA	1.1	1.3	1.4
RoAA	1.7	2.0	2.1

FY22	FY23	FY24
70.6	78.0	79.0
77.5	83.9	82.4
10.9	10.8	11.1
5.0	4.9	5.6
63.4	60	62.5

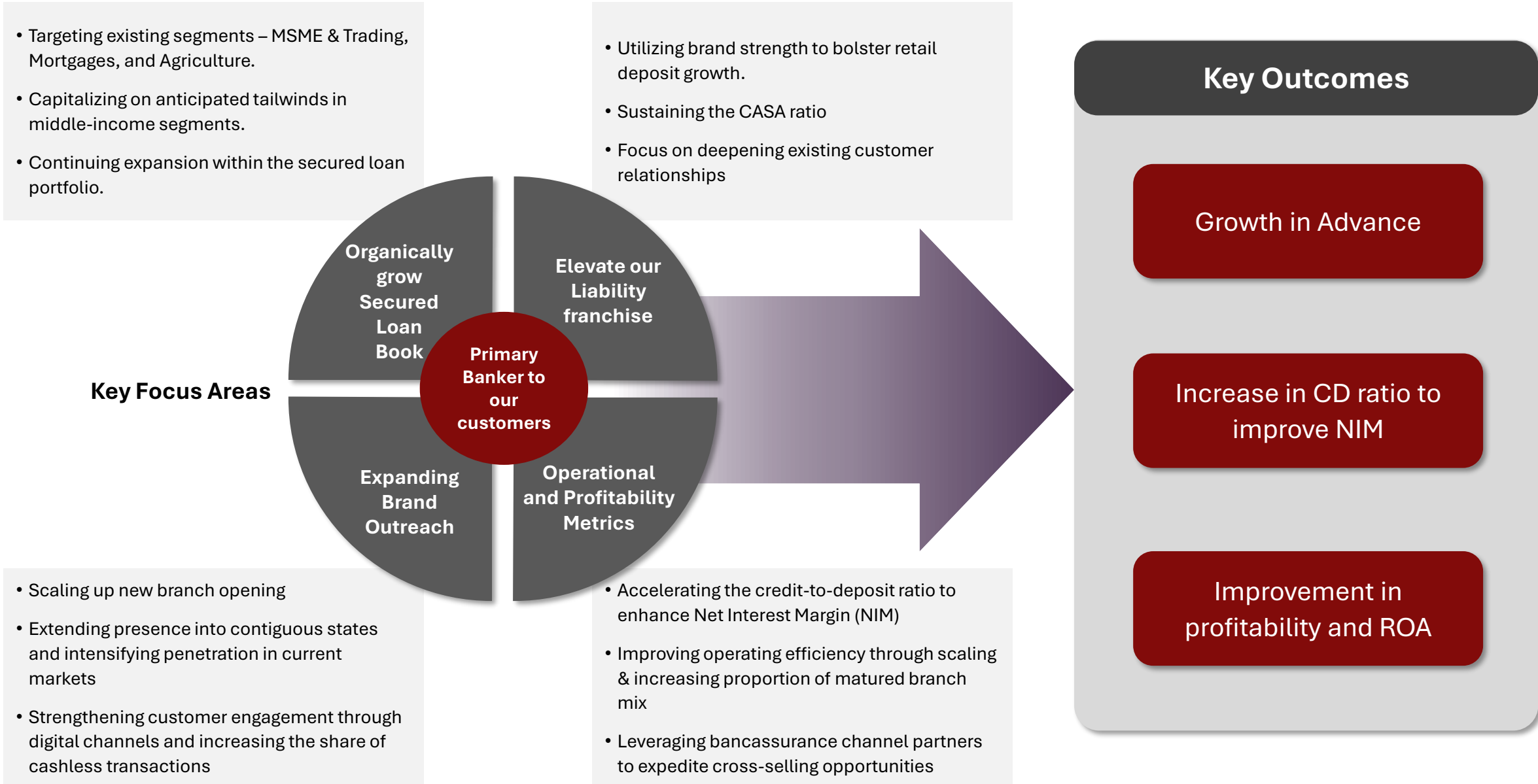
FY22	FY23	FY24
3.8	4.2	3.9
0.8	0.6	0.8
1.7	2.0	1.8
0.4	0.3	0.1
0.9	1.2	1.3
1.6	1.9	2.0



- Effectively managed yields and interest spread across interest rate cycles; consistent increase in NIM, resulting from accelerating credit to deposit ratio;
- Focus on retail deposit coupled with strong CASA resulting in one of the lowest cost of deposit;
- Benefit of operating leverage with continuous increase in proportion of matured branches, steady NIMs and low credit cost leads to strong growth in profitability.

1. Non-Interest Income = Total Income - Interest Earned
 2. ROA is calculated as % of Avg Assets
 3. ROAA is calculated as % of Avg Advances

Strategic Focus and Outlook for FY25



Company Overview

2016

Small Finance Bank

Conversion to **India's First Small Finance Bank** in April 2016

2019 - 2020

Total business of the Bank crossed ₹6,000 crores

Equity of ₹134 crores raised through private placement

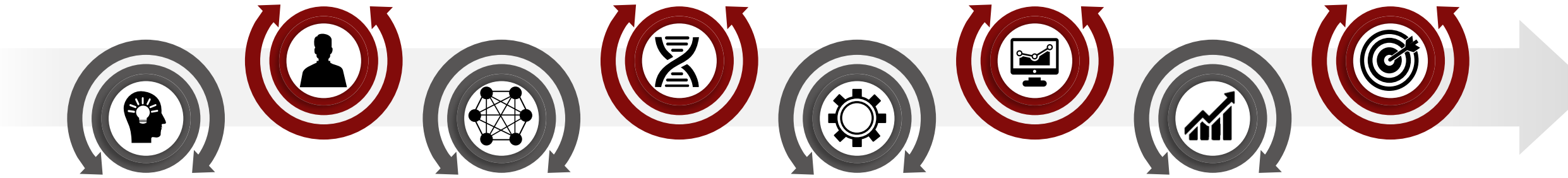
2022

Net Profit of the Bank zoomed to ₹63 crores registering a growth of 53.42% over previous FY

2024

Successfully listed on NSE and BSE on 14th February 2024 and raised Rs. 523 crores including a Fresh Issue of Rs. 450 crores

Net Profit cross Rs. 100 crores



2000 - 2015

Local Area Bank

Incorporation of the Bank. Started operations as a local area bank in Jalandhar, Kapurthala and Hoshiarpur and expanded its operations into Ludhiana and Amritsar, thereby extending its outreach to a total of five districts.

2017 - 2018

Equity of ₹65 crores raised through private placement

The total number of branches of the Bank crossed 100

2021

The total number of customers of the Bank reached ~6 lacs Total business of the Bank crossed ₹8,900 crores

2023

Net Profit of the Bank crossed Rs. 93 crores registering a growth of 50% over the previous FY with total business crossing Rs. 12,000 crores mark. Share of Digital Transactions in non-cash transactions increased to 81%

SARVJIT SINGH SAMRA
PROMOTER, MANAGING DIRECTOR & CEO



36+ years of experience across banking & financial industry across various roles. Associated with the Bank since inception Instrumental in the conversion of Bank to a Small Finance Bank.

MUNISH JAIN
EXECUTIVE DIRECTOR



23+ years of experience in the banking sector across finance, compliance, treasury and strategic roles. Member of ICAI & ICSI Associated with the Bank since 2000

ASEEM MAHAJAN
CHIEF FINANCIAL OFFICER



Associated with the Bank since 2012 across various domains including accounting, finance, treasury & fund management, budgeting & forecasting, capital raising and others. Member of ICAI.

SANTOSH KUMAR DHAWAN
HEAD OF CREDIT DEPARTMENT



Associated with the Bank for 22+ years across various roles in retail credit, branch banking, Head of Credit. Serving as Head of Credit since 2017. Previously associated with PNB.

RICHA MAHAJAN
CHIEF COMPLIANCE OFFICER



Associated with the Bank for 21+ years Served as the Head of Audit & Internal control from 2011 to 2021, and presently serving as Chief Compliance Officer since 2021. Member of ICAI.

RAGHAV AGGARWAL
CHIEF RISK OFFICER



Associated with the Bank since 2015 across various roles in credit sanctioning & monitoring. Serving as Chief Risk Officer since 2020. Member of ICAI.

...and guided by seasoned members of the Board



NAVIN KUMAR MAINI
PART TIME CHAIRMAN &
NON-EXECUTIVE
INDEPENDENT DIRECTOR

- 40+ years of experience in the banking industry
- Previously associated with SIDBI as Deputy Managing Director, IDBI Bank & United Commercial Bank



SARVJIT SINGH SAMRA
MANAGING DIRECTOR &
CEO

- 36+ years of experience across banking & financial industry
- Associated with the Bank since inception
- Instrumental in the conversion of Bank to a Small Finance Bank



MUNISH JAIN
EXECUTIVE DIRECTOR

- ~23+ years of experience in the banking sector across finance, compliance, treasury and strategic roles
- Member of ICAI & ICSI



DINESH GUPTA
NON-EXECUTIVE
DIRECTOR

- ~3+ decades of experience in the field of finance, taxation, corporate & commercial laws, corporate restructuring
- Practicing Company Secretary



SRINATH SRINIVASAN
NON-EXECUTIVE
DIRECTOR

- CEO of OIJIF & is a nominee director of the fund on the Bank's board
- Previously worked with Rand Merchant Bank as country head for PE business



MAHESH PARASURAMAN
NON-EXECUTIVE
DIRECTOR

- Partner at Amicus Capital & nominee director on the Bank's board
- 2+ decades of experience across Carlyle India, EY & Arthur Andersen
- Member of ICAI & ICMAI



BALBIR SINGH
NON-EXECUTIVE
DIRECTOR

- ~Nominee Director of SIDBI on the Bank's board
- Presently serving as the General Manager & Regional In-charge of SIDBI's Chandigarh Office



**NAGESWARA RAO
YALAMANCHILI**
INDEPENDENT DIRECTOR

- Served as Executive Director in Bank of Maharashtra and Vijaya Bank
- Also served as Officer on Special Duty and Whole-time
- Director at Syndicate Bank



GURPREET SINGH CHUG
INDEPENDENT DIRECTOR

- Serving as the Managing Director of Pioneer Assurance Consultants
- Holds Bachelor's Degree in Law & qualified practitioner from Insurance Institute of India



RACHNA DIKSHIT
INDEPENDENT DIRECTOR

- Served as Chief General Manager at the RBI
- Certified associate of the Indian Institute of Bankers



**KAMALDEEP SINGH
SANGHA**
INDEPENDENT DIRECTOR

- ~Retired IAS Officer
- Served as Managing Director of Punjab State Co-operative Bank, Punjab State Co-operative Milk Producer's Federation Ltd. as well as MILKFED



SUKHEN PAL BABUTA
INDEPENDENT DIRECTOR

- Practicing Chartered Accountant since 1987
- Associate Member of ICAI and registered professional with IBBI
- Has previously served as Director of Punjab & Sind Bank



SHAM SINGH BAINS
INDEPENDENT DIRECTOR

- Extensive experience in the agriculture sector

Providing a wide Range of Products and Services

Comprehensive bouquet of Services under one-roof



Loan Portfolio

Agricultural

Kisan Credit Card
Agricultural Term Loan

MSME & Trading

CC/OD/WCTL
Project Loan
Machinery Loans

Mortgage

Housing, Loan-against-property

Others

Gold loans, Auto loans
Consumer durable loans,
Personal loans, Corporate loans



Deposit Portfolio

Savings Account

Capital Savings A/c
Capital Super Savings A/c

Current Account

Capital plus Current A/c
Capital flexi A/c

Term Deposits

Short-Term Deposit
Cumulative Deposit
Monthly Interest Deposit
Tax Saver Accounts

NRE/NRO Accounts



Fee-based Products

Insurance Products

Forex Services

Money Transfer Services

Safe Deposit Lockers

3-in-1 Demat & Trading Account



Other Services

Branches

ATMs

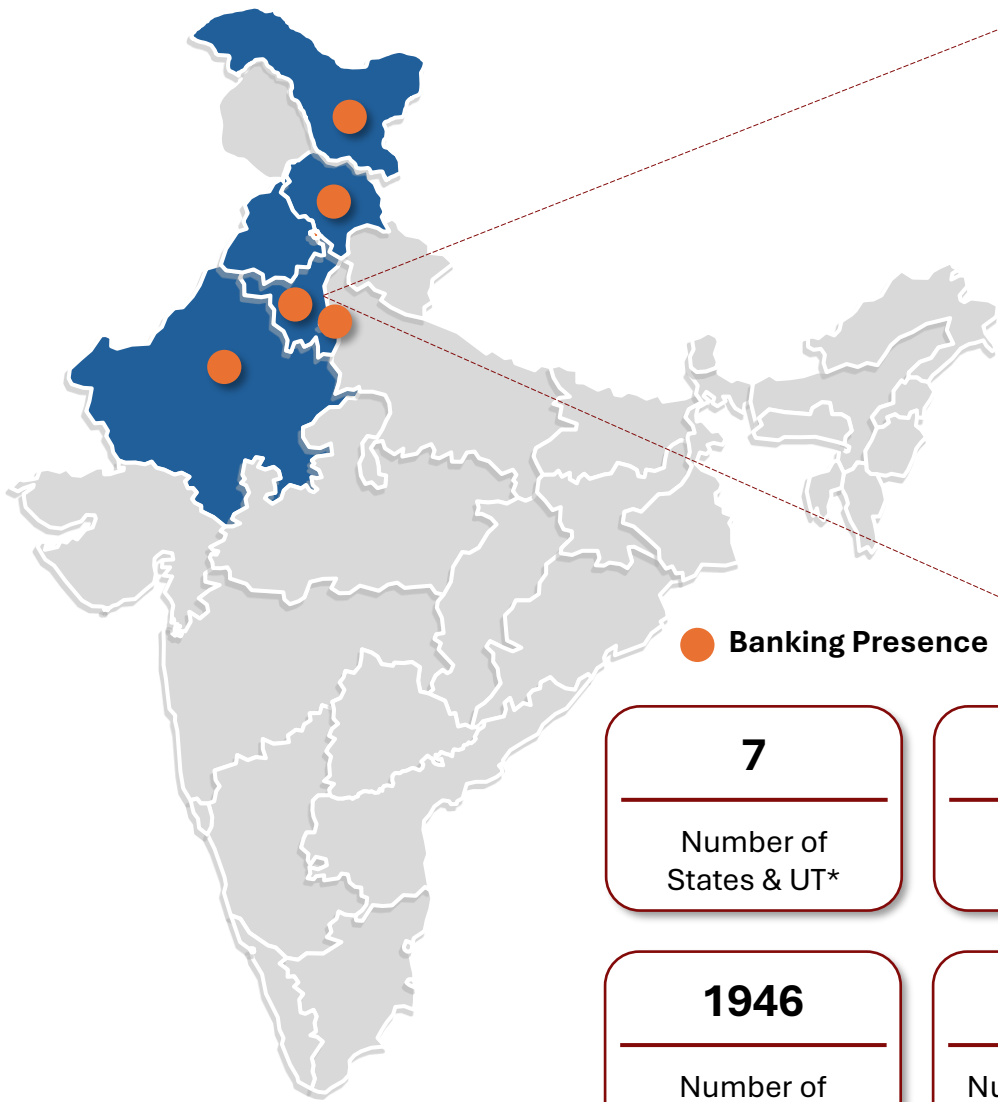
ATM cum Debit Cards

Internet Banking

Mobile Banking (Capital Mobile+)

Mobile Passbook (Capital Mobile Connect)

Deep-understanding of middle-income customer segment with more than 2 decades of experience



Geographical Mix	
Punjab	154
Haryana	16
Rajasthan	3
NCR	3
UT Chandigarh	2
Himachal Pradesh	1
UT Jammu & Kashmir	1
Total	180

Rural-Urban Mix	
Rural Areas	41.1%
Semi-Urban Areas	33.9%
Urban Areas	25.0%
Total	100.0%

Highest branch concentration towards rural and semi-urban areas

7 Number of States & UT*	40 Number of Districts	180 Branches
1946 Number of Employees	182 Number of ATMs	7.5+ lakh Customers

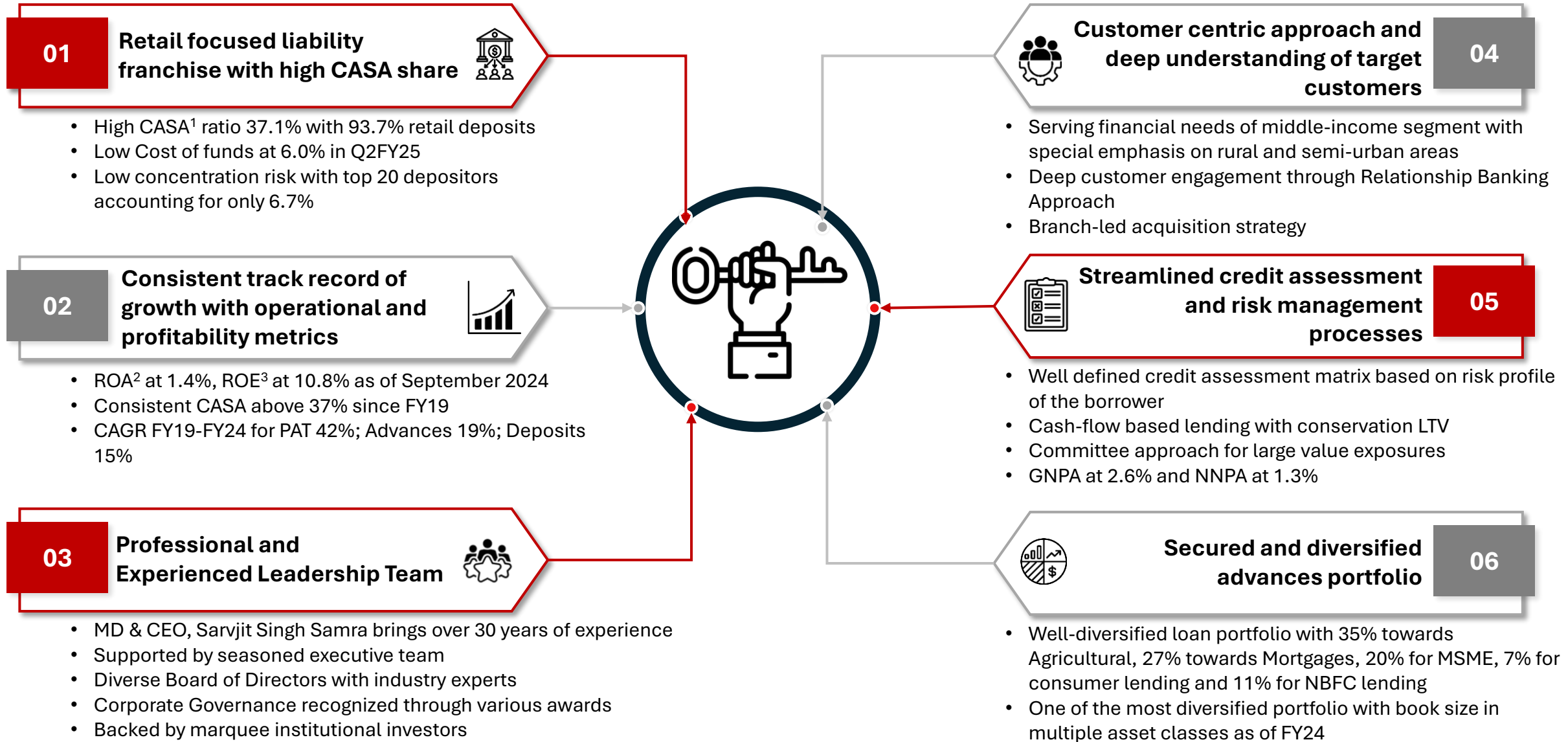
Expansion Plan

- Enhanced branch outreach by scaling up new branch opening
- Expanding outreach to the contiguous states
- Transforming Haryana into our growth frontier
- Deep penetration in existing markets

*Includes UT Chandigarh & Jammu

Numbers have been rounded off wherever applicable

Our 'Strengths' built over 20 years by focusing on our customers



1. CASA calculated as total CASA divided by total deposits
 2. ROA is calculated as % of Avg Assets
 3. ROE is calculated as % of Avg Equity

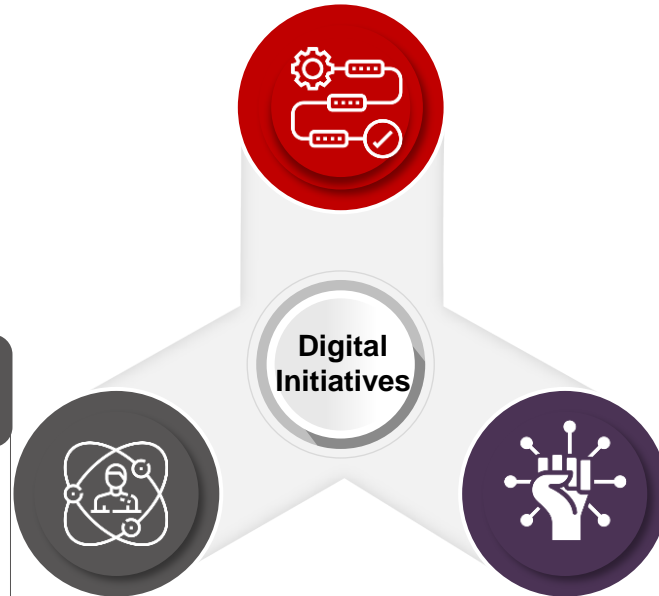
Delivering Digital Empowerment to Our Customers

Personalised Data-Driven Processes

- Leverage technology and data analytics for scalability and profitable growth
- Improve collection efficiency through data driven early warning systems
- Cross selling opportunities and effective customer engagement through analytics

Transforming Customer Experience

- Deepening customer engagement through digital channels
- Analysing data driven insights to offer customised solutions
- Developing alternate digital channels

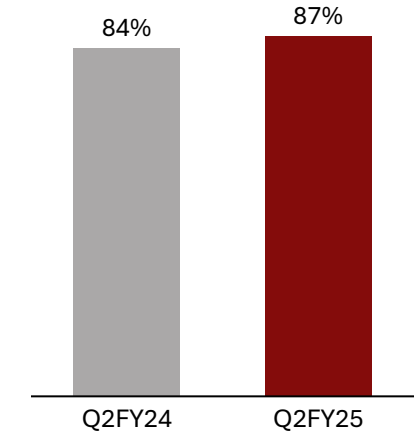


Empowering Ourselves with Technology

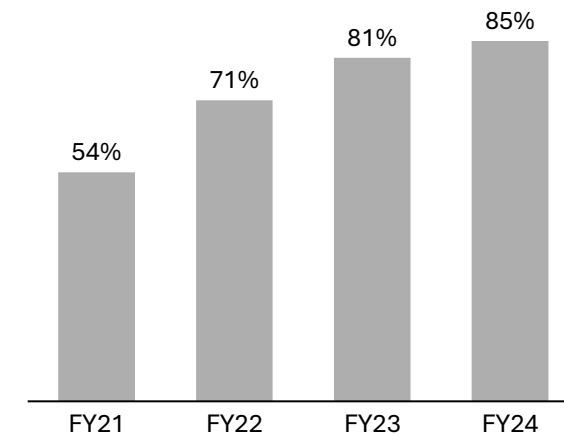
- Increasing cashless banking
- Automating operation
- Improving collections through warning systems
- Targeting and monitoring customers through data

Share of Digital Transactions in non-cash Transactions

Q-o-Q

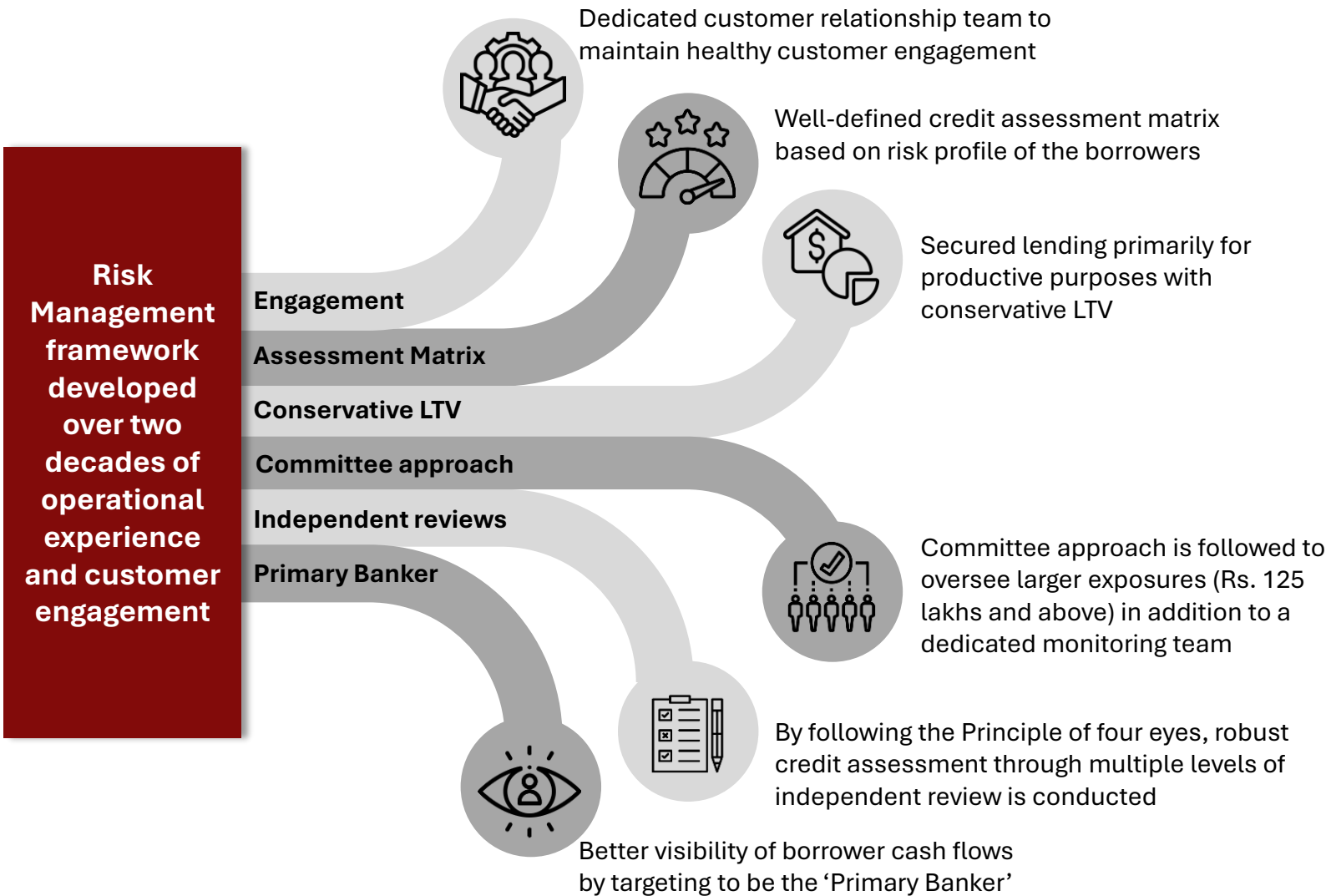


Y-o-Y



Assets and Liabilities Overview

...have led to Industry leading Asset Quality



2.6%

GNPA as of Sep-24

1.3%

NNPA as of Sep-24

0.2%

Credit Cost for Q2FY25

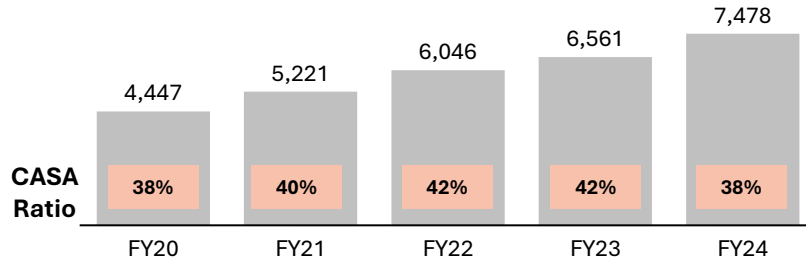
~Zero write-offs

One of the most secured Asset Portfolio in the Lending Industry

Retail-focused Liability Franchise & Diversified Advance Book

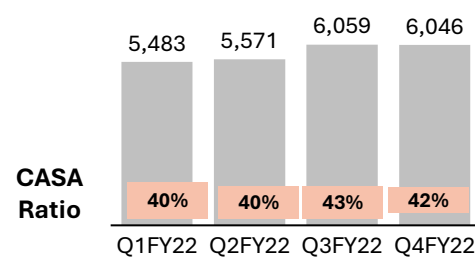
Total Deposits

In INR Crores



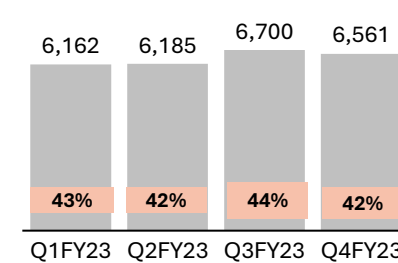
(%)	FY20	FY21	FY22	FY23	FY24
Y-o-Y	21%	17%	16%	9%	14%
CAGR (2017-20) Pre Covid	23%	CAGR (2019-24)		15%	

FY22



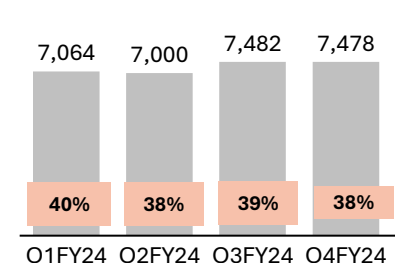
	FY22			
(%)	Q1	Q2	Q3	Q4
Q-o-Q	5%	2%	9%	0%

FY23



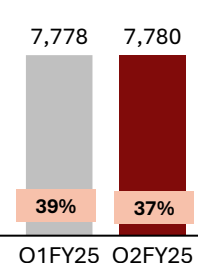
	FY23			
(%)	Q1	Q2	Q3	Q4
Q-o-Q	2%	0%	8%	-2%

FY24



	FY24			
(%)	Q1	Q2	Q3	Q4
Q-o-Q	8%	-1%	7%	0%

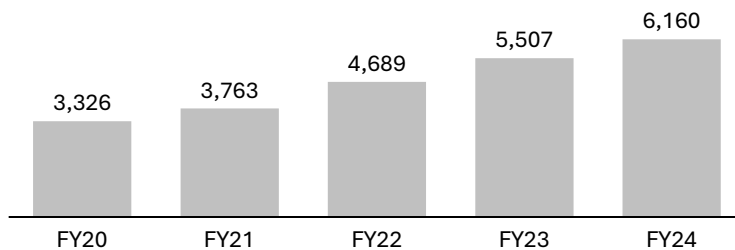
FY25



	FY25	
(%)	Q1	Q2
Q-o-Q	4%	-

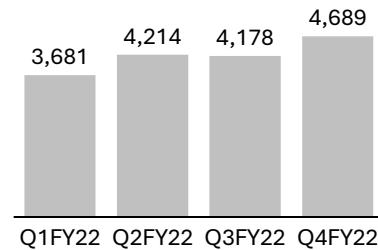
Gross Loan Book

In INR Crores



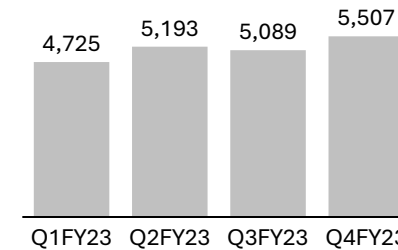
(%)	FY20	FY21	FY22	FY23	FY24
Y-o-Y	27%	13%	25%	17%	12%
CAGR (2017-20) Pre Covid	34%	CAGR (2019-24)		19%	

FY22



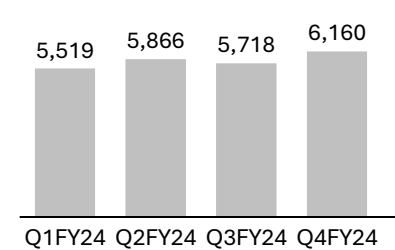
	FY22			
(%)	Q1	Q2	Q3	Q4
Q-o-Q	-2%	14%	-1%	12%

FY23



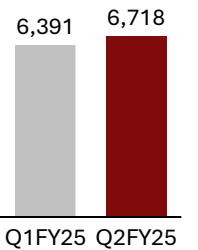
	FY23			
(%)	Q1	Q2	Q3	Q4
Q-o-Q	1%	10%	-2%	8%

FY24



	FY24			
(%)	Q1	Q2	Q3	Q4
Q-o-Q	0%	6%	-3%	8%

FY25



	FY25	
(%)	Q1	Q2
Q-o-Q	4%	5%

CASA calculated as total CASA divided by total deposits
CAGR^ (FY2019-24)

Numbers have been rounded off wherever applicable

Annexures

Statement of Assets and Liabilities

Particulars (INR Cr)	FY22	FY23	FY24	CAGR%	Q2FY24	Q2FY25	YoY ² (%)	Q1FY25
Capital & Liabilities								
Shareholders Funds	516	611	1,197	37%	712	1,266	78%	1,234
Deposits	6,046	6,561	7,478	15%	7,000	7,780	11%	7,778
Borrowings	498	721	472		573	390		466
Other Liabilities and Provisions	93	98	148		106	125		134
Total	7,154	7,991	9,295		8,391	9,561		9,612

Assets								
Cash and Balances with RBI								
(Balances with Banks & Money at call & short notice)	1,019	881	1,321		853	974		1,257
Investments	1,357	1,489	1,706		1,549	1,751		1,762
Advances	4,635	5,429	6,075	19%	5,784	6,629	15%	6,304
Fixed Assets	84	83	84		81	84		82
Other Assets	59	110	110		124	124		207
Total	7,154	7,991	9,295		8,391	9,561		9,612

1.CAGR (calculated from 2019-24)

2.YoY (calculated Q2FY25 over Q2FY24)

Particulars (INR Cr)	FY22	FY23	FY24	CAGR%	Q2FY24	Q2FY25	YoY ² (%)	Q1FY25
Interest Earned	578	676	794		197	224		218
Interest expended	323	354	449		113	123		119
Net Interest Income (NII)	255	322	345	21%	84	101	20%	99
Other Income	54	50	67		17	26		17
Net Total Income	310	372	412	20%	101	127	26%	116
Operating expenses	196	223	258		66	78		73
Pre- Provision Operating Profit	113	149	154		35	48	40%	43
Provisions & Contingencies	51	55	43		11	15		13
Profit/loss for the period	63	94	112	42%	24	33	37%	30

Earnings per equity share

Basic (Rs)	18.41	27.35	30.65		6.85	7.41		6.66
Diluted (Rs)	18.22	27.21	30.45		6.80	7.35		6.62

1. CAGR (calculated from 2019-24)

2. YoY (calculated Q2FY25 over Q2FY24)

THANK YOU !

Company: Capital Small Finance Bank Limited

Capital Small Finance Bank 

CIN: L65110PB1999PLC022634

Mr. Sahil Vijay / Ms. Bharti Babutta

investorrelations@capitalbank.co.in

Website: www.capitalbank.co.in

**Investor Relation Advisors:
Strategic Growth Advisors Pvt. Ltd.**

SGA Strategic Growth Advisors

CIN: U74140MH2010PTC204285

Mr. Aakash S Mehta / Mr. Abhishek Shah

aakash.s.m@sgapl.net / abhishek.shah@sgapl.net

Tel: +91 9870679263 / +91 9930651660

Independent Auditor's Certificate

To,
The Board of Directors,
Capital Small Finance Bank Limited,
MIDAS Corporate Park, 3rd Floor,
37, G.T. Road, Jalandhar,
Punjab-144001

Subject: Independent Auditor's Report on maintenance of Security Cover including compliance with all the covenants in respect of listed non-convertible debt securities issued by Capital Small Finance Bank Limited and outstanding as on 30th September 2024

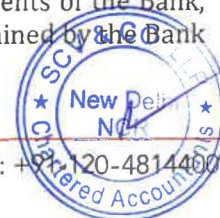
1. This report is issued in accordance with the terms of our Engagement letter dated 28th September 2024 with Capital Small Finance Bank Limited ('the Bank').
2. The accompanying statement showing maintenance of Security Cover including compliance with all the covenants for listed Non-Convertible Debentures ("NCD's") issued by Capital Small Finance Bank Limited (the "Bank") which were outstanding as at 30th September 2024 (the "Statement"), is prepared by the Bank, for the purpose of submission to IDBI Trusteeship Services Limited (the "Debenture Trustee"), pursuant to the requirements of Regulation 56(1)(d) of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time read with circular issued by SEBI vide ref. no. SEBI/HO/DDHS/P/CIR/2023/50 dated 31st March 2023 (hereinafter together referred as the "SEBI Regulation") which we have initialled for identification purpose only.

Management's Responsibilities for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Bank including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. Further, the Bank is responsible for the maintenance of the Security Cover and compliance with all the covenants of debt securities;
4. The Management is also responsible for ensuring that the Bank complies with the requirements of the SEBI Regulation, the Reserve Bank of India Act, 1934, the Banking Regulation Act, 1949, debenture trust deeds and other relevant circulars and guidelines issued by the Reserve Bank of India ("the RBI") and Securities and Exchange Board of India ("the SEBI") and provide all relevant information to the RBI and SEBI.

Auditor's Responsibility

5. Pursuant to requirement of the SEBI Regulations, it is our responsibility to express a limited assurance in the form of a conclusion based on our examination of relevant records maintained by the Bank as to whether anything has come to our attention that causes us to believe that the details included in the Statement, regarding maintenance of security cover as stated in the respective debenture trust deeds and compliance with all the covenants, as mentioned, as per the debenture trust deeds in respect of NCDs of the bank outstanding as at 30th September 2024, is not in agreement, in all material respects, with the unaudited financial statements of the Bank, underlying books of account and other relevant records and documents maintained by the Bank for the half year ended 30th September 2024.



6. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures to express a conclusion on matter specified in paragraph 5 above:
- Traced and agreed on the amounts mentioned in the Statement with the unaudited financial statements for the half year ended 30th September 2024.
 - Verified the arithmetical accuracy of the computation of Security Cover mentioned in the Statement.
 - Verified the security cover details as per the Term sheets and books and records of the Bank; and
 - Verified all covenants as per the Term sheets of NCDs issued by the Bank.
7. We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

9. Based on the procedures performed as per paragraph 6 above and to the best of our knowledge, according to the information, explanations and representation given to us, nothing has come to our attention that causes us to believe that:
- The book value of assets mentioned in the Statement is not correctly extracted from the unaudited books and records of the Bank as at 30th September 2024;
 - The Bank is not in compliance with all the covenants mentioned in the Offer document/ Information Memorandum/ Debenture Trust Deeds in respect of listed non-convertible debt securities.

Restriction on Use

10. This report is addressed to the Board of Directors of the Bank, pursuant to our terms of engagement for onward submission of this report to the Debenture Trustee and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



For SCV & CO. LLP
Chartered Accountants
Firm Regn No. 000235N/N500089

(SUNNY SINGH)
PARTNER

Membership No. 516834
ICAI UDIN: 24516834BKBMRM3910

Column A	Column B	Column C ⁱ	Column D ⁱⁱ	Column E ⁱⁱⁱ	Column F ^{iv}	Column G ^v	Column H ^{vi}	Column I ^{vii}	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate					
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)	debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets ^{viii}	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)			
		Book Value	Book Value	Yes/No	Book Value	Book Value									
ASSETS															
Property, Plant and Equipment															
Capital Work-in-Progress															
Right of Use Assets															
Goodwill	Not applicable since all the listed non-convertible Debentures of the Bank are of unsecured nature														
Intangible Assets															



Intangible Assets under Development														
Investments														
Loans														
Inventories														
Trade Receivables														
Cash and Cash Equivalents														
Bank Balances other than Cash and Cash Equivalents														
Others														
Total														
LIABILITIES														
Debt securities to which this certificate pertains														



Capital Small Finance Bank Limited
 Regd. & Head Off.: 'MIDAS Corporate Park', 3rd Floor, 37, G.T. Road, Jalandhar-144 001, INDIA
 Tel.: 0181-5051111, 5052222 | Fax: 0181-5053333 | e-mail: mail@capitalbank.co.in | www.capitalbank.co.in
 www.facebook.com/capitalbankindia | CIN : L65110PB1999PLC022634



- ⁱ This column shall include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued.
- ⁱⁱ This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.
- ⁱⁱⁱ This column shall include debt for which this certificate is issued having any pari passu charge - Mention Yes, else No.
- ^{iv} This column shall include a) book value of assets having pari-passu charge b) outstanding book value of debt for which this certificate is issued and c). other debt sharing pari- passu charge along with debt for which certificate is issued.
- ^v This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.
- ^{vi} This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid-for.
- ^{vii} In order to match the liability amount with financials, it is necessary to eliminate the debt which has been counted more than once (included under exclusive charge column as also under pari passu). On the assets side, there shall not be elimination as there is no overlap.
- ^{viii} Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/Carrying Value.
- ^{ix} The market value shall be calculated as per the total value of assets mentioned in Column O.

Date: - October 24, 2024

Place: - Jalandhar



Anit Sharma
H.O.
FINANCE BANK

Capital Small Finance Bank Limited

Regd. & Head Off.: 'MIDAS Corporate Park', 3rd Floor, 37, G.T. Road, Jalandhar-144 001, INDIA
Tel.: 0181-5051111, 5052222 | Fax : 0181-5053333 | e-mail : mail@capitalbank.co.in | www.capitalbank.co.in
f www.facebook.com/capitalbankindia | CIN : L65110PB1999PLC022634