

CSFB.2024-25/62

May 09, 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 &amp; 953739

Symbol: CAPITALSFB

**Subject: Outcome of Board Meeting of Capital Small Finance Bank Limited ("the Bank") held on May 09, 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 April 30, 2024 intimating about the Board meeting, it is hereby informed that the Board of Directors of the Bank at its meeting held on May 09, 2024 has inter-alia, considered and approved Audited Financial Results of the Bank for the Quarter and Financial Year ended on March 31, 2024.


A copy of the said results is enclosed herewith along with the Audit Report submitted by Statutory Auditors, Chartered Accountants in respect of Audit Report with unmodified opinion on the aforesaid Audited Financial Results as **Annexure - 1**.

The Board has also considered and recommended dividend of Rs. 1.20 (Rupee One and Twenty Paise) per equity share of face value of Rs. 10 each fully paid up (i.e. 12.00% of face value) out of net profit for the financial year ended March 31, 2024, subject to approval of shareholders at the ensuing Annual General Meeting (AGM) of the Bank. The dividend on equity shares will be paid/dispatched after the same is approved by the shareholders at the ensuing AGM of the Bank.

The above may also be accessed on the website of the Bank at the link <https://www.capitalbank.co.in/investors/financial-results>

The Board meeting commenced at 10:30 a.m and concluded at 03:00 p.m.

**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

Further, pursuant to the Regulation 52(7) of the Listing Regulation, 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, and other applicable circulars issued by SEBI, please find enclosed herewith requisite information on Security Cover including compliance with all the covenants as **Annexure – 2** in respect of the listed unsecured non-convertible debentures (NCDs) issued by the Bank.

Further, the presentation on the Audited Financial Results of the Bank for the Quarter and Financial Year ended on March 31, 2024 is enclosed as **Annexure – 3** and the same may also be accessed on the website of the Bank at the link: <https://www.capitalbank.co.in/investors/financial-results>.

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

**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

**Independent Auditors' Report on the Quarter and Year ended 31<sup>st</sup> March 2024 Audited Financial Results of the Capital Small Finance Bank Limited 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**

**Report on the Audit of the Financial Results**

**Opinion**

We have audited the accompanying financial results of **Capital Small Finance Bank Limited** (hereinafter referred to as 'the Bank') for the quarter and year ended 31<sup>st</sup> March, 2024 (the 'Statement'), attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 and 52 read with Regulation 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 disclosure as at 31<sup>st</sup> March 2024, including leverage ratio, liquidity coverage ratio and net stable funding ratio under Basel III capital regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid statement:

- is presented in accordance with the requirements of Regulation 33 and 52 read with Regulation 63 (2) of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at 31<sup>st</sup> March 2024 including leverage ratio liquidity coverage ratio and net stable funding ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us; and
- gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Accounting Standards) Rules, 2021, 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 of the net profit and other financial information for the quarter and year ended 31 March 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the financial results section of our report. We are independent of the Bank, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the annual financial results.



## **Management's Responsibilities for the Financial Results**

This Statement, which includes the financial results is the responsibility of the Bank's Board of Directors and has been approved by them for the issuance. The financial results for the year ended March 31, 2024, have been prepared on the basis of annual financial statements. This responsibility includes the preparation and presentation of the financial results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in the Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, in so far as they apply to banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the RBI from time to time and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Bank's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

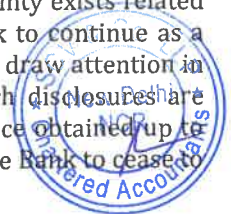
The Board of Directors are also responsible for overseeing the financial reporting process of the Bank.

## **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures specified under Regulation 33 and Regulation 52 read with Regulation 63 (2) of the Listing Regulations in the financial results made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Bank to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

- a) The comparative financial information of the Bank for the previous reporting periods included in the financial results has been audited by the predecessor auditor. The report of the predecessor auditor dated May 19, 2023, on this comparative financial information expressed an un-modified opinion.
- b) The Statement includes the results for the quarter ended 31<sup>st</sup> March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by the predecessor auditor.

Our opinion is not modified in respect of the above matters.

PLACE: NOIDA  
DATED: 9<sup>TH</sup> MAY, 2024



**FOR SCV & CO. LLP  
CHARTERED ACCOUNTANTS**

**FIRM REGISTRATION No. 000235N/N500089**

A handwritten signature in blue ink, appearing to read 'Sunny Singh'.

SUNNY SINGH  
PARTNER

MEMBERSHIP NO. 516834  
ICAI UDIN: 24516834BKBMNS5121

**CAPITAL SMALL FINANCE BANK LIMITED**

Registered Office: MIDAS Corporate Park, 3<sup>rd</sup> Floor, 37, G.T. Road, Jalandhar – 144001, Punjab  
Tel.:0181-5051111, 5052222| Fax: 0181-5053333|E-mail: investorrelations@capitalbank.co.in  
CIN: L65110PB1999PLC022634

**Statement of Audited Financial Results for the Quarter and Year ended March 31, 2024**

(₹ in lacs except otherwise stated)

S. No	Particulars	Quarter ended			Year ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Audited (Refer Note 6)	Unaudited	Audited (Refer Note 6)	Audited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	20,420	20,415	17,861	79,433	67,601
	(a) Interest/discount earned on advances/bills	15,842	16,099	14,187	62,435	53,286
	(b) Income on Investments	2,982	2,933	2,590	11,216	9,762
	(c) Interest on balances with Reserve Bank of India and other interbank funds	1,552	1,321	1,028	5,564	4,484
	(d) Others	44	62	56	218	69
2	Other Income (refer note 12)	2,054	1,830	1,549	6,808	4,947
3	<b>Total Income (1) + (2)</b>	<b>22,474</b>	<b>22,245</b>	<b>19,410</b>	<b>86,241</b>	<b>72,548</b>
4	Interest Expended	11,746	11,671	9,425	44,918	35,402
5	Operating Expenses (i)+(ii)	6,783	6,567	5,955	25,833	22,275
	i.Employee cost	3,113	3,205	3,198	12,458	11,798
	ii.Other operating expenses	3,670	3,362	2,757	13,375	10,477
6	<b>Total Expenditure (4) + (5) (excluding provisions and contingencies)</b>	<b>18,529</b>	<b>18,238</b>	<b>15,380</b>	<b>70,751</b>	<b>57,677</b>
7	<b>Operating Profit before Provisions and Contingencies (3)-(6)</b>	<b>3,945</b>	<b>4,007</b>	<b>4,030</b>	<b>15,490</b>	<b>14,871</b>
8	Provisions (other than tax) and Contingencies	182	162	833	669	2,455
9	Exceptional Items	-	-	-	-	-
10	<b>Profit from Ordinary Activities before tax (7)-(8)-(9)</b>	<b>3,763</b>	<b>3,845</b>	<b>3,197</b>	<b>14,821</b>	<b>12,416</b>
11	Tax Expense	942	952	772	3,668	3,056
12	<b>Net Profit from Ordinary Activities after tax (10)-(11)</b>	<b>2,821</b>	<b>2,893</b>	<b>2,425</b>	<b>11,153</b>	<b>9,360</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit for the period (12)-(13)</b>	<b>2,821</b>	<b>2,893</b>	<b>2,425</b>	<b>11,153</b>	<b>9,360</b>
15	Paid up equity share capital (Face Value of ₹10/ each)	4,504	3,543	3,425	4,504	3,425
16	Reserves excluding Revaluation Reserves	-	-	-	1,15,238	57,636
17	<b>Analytical Ratios and other disclosure</b>					
	i.Percentage of shares held by Government of India	-	-	-	-	-
	ii.Capital Adequacy Ratio (Refer Note 13)	27.39%	20.06%	18.87%	27.39%	18.87%
	Tier-I Ratio	22.80%	15.00%	13.69%	22.80%	13.69%
	iii.Earnings per share (before and after extraordinary items, net of tax expense)					
	Basic EPS (₹) (non-annualized for quarters)	6.88	7.92	7.08	30.65	27.35
	Diluted EPS (₹) (non-annualized for quarters)	6.87	7.86	7.03	30.45	27.21
	iv.NPA Ratios					
	(a) Gross NPAs	17,018	17,004	15,262	17,018	15,262
	(b) Net NPAs	8,508	8,647	7,405	8,508	7,405
	(c) % of Gross NPAs to Gross Advances	2.76%	2.97%	2.77%	2.76%	2.77%
	(d) % of Net NPAs to Net Advances	1.40%	1.53%	1.36%	1.40%	1.36%
	v.Return on Assets <sup>1</sup> (non-annualized for quarters)	0.31%	0.33%	0.30%	1.27%	1.22%
	vi.Net worth <sup>2</sup>	1,19,742	74,335	61,061	1,19,742	61,061
	vii.Operating Margin <sup>3</sup>	17.55%	18.01%	20.76%	17.96%	20.50%
	viii.Net Profit Margin <sup>4</sup>	12.55%	13.01%	12.49%	12.93%	12.90%
	ix.Debt Equity Ratio <sup>5</sup>	0.39	0.71	1.18	0.39	1.18
	x.Total Debt to Total Assets <sup>6</sup>	5.08%	5.98%	9.03%	5.08%	9.03%
	xi.Outstanding redeemable preference shares <sup>7</sup>	-	-	-	-	-
	xii.Capital redemption reserve <sup>8</sup>	-	-	-	-	-
	xiii.Debenture redemption reserve <sup>8</sup>	-	-	-	-	-

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

<sup>2</sup>Net 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

<sup>3</sup>Operating Margin means Operating profit before provisions and contingencies to the total income

<sup>4</sup>Net Profit Margin means Net Profit to total income

<sup>5</sup>The 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

<sup>6</sup>Total Debts to Total assets means the ratio of total borrowings to total assets

<sup>7</sup>The Bank has not issued any redeemable preference shares

<sup>8</sup>As 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                    |



**CAPITAL SMALL FINANCE BANK LIMITED**

Registered Office: MIDAS Corporate Park, 3<sup>rd</sup> Floor, 37, G.T. Road, Jalandhar – 144001, Punjab  
 Tel.:0181-5051111, 5052222 | Fax: 0181-5053333 | E-mail: investorrelations@capitalbank.co.in  
 CIN: L65110PB1999PLC022634

Segment information in accordance with the Accounting Standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under:

S. No.	Particulars	Quarter ended			Year ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Audited (Refer note 6)	Unaudited	Audited (Refer note 6)	Audited	Audited
<b>1</b>	<b>Segment Revenue</b>					
a)	Treasury	4,587	4,331	3,610	16,862	14,160
b)	Retail Banking	20,556	19,400	17,107	77,475	68,122
c)	Wholesale Banking	1,775	1,623	1,397	6,714	5,419
d)	Other Banking Operations	888	1,020	701	3,095	1,467
e)	Unallocated	-	-	-	-	-
	Less: Inter Segment Revenue	(5,332)	(4,129)	(3,405)	(17,905)	(16,620)
	<b>Income from Operations</b>	<b>22,474</b>	<b>22,245</b>	<b>19,410</b>	<b>86,241</b>	<b>72,548</b>
<b>2</b>	<b>Segment Results</b>					
a)	Treasury	(451)	363	704	355	(197)
b)	Retail Banking	4,878	4,832	3,905	20,412	19,164
c)	Wholesale Banking	175	115	99	634	295
d)	Other Banking Operations	839	965	635	2,865	1,247
e)	Unallocated	-	-	-	-	-
	<b>Total</b>	<b>5,441</b>	<b>6,275</b>	<b>5,343</b>	<b>24,266</b>	<b>20,509</b>
	Less: (i) Interest	(657)	(659)	(645)	(2,614)	(2,456)
	(ii) Other Unallocable Expenditure net off Unallocable Income	(1,021)	(1,771)	(1,501)	(6,831)	(5,637)
	<b>Total Profit Before Tax</b>	<b>3,763</b>	<b>3,845</b>	<b>3,197</b>	<b>14,821</b>	<b>12,416</b>
<b>3</b>	<b>Segment Assets</b>					
a)	Treasury	2,52,766	2,47,609	1,94,979	2,52,766	1,94,979
b)	Retail Banking	5,98,165	5,62,238	5,45,243	5,98,165	5,45,243
c)	Wholesale Banking	72,572	68,962	54,180	72,572	54,180
d)	Other Banking Operations	442	546	57	442	57
e)	Unallocated	5,583	5,610	4,618	5,583	4,618
	<b>Total Assets</b>	<b>9,29,528</b>	<b>8,84,965</b>	<b>7,99,077</b>	<b>9,29,528</b>	<b>7,99,077</b>
<b>4</b>	<b>Segment Liabilities</b>					
a)	Treasury	-	-	2,998	-	2,998
b)	Retail Banking	7,25,839	7,27,585	6,93,802	7,25,839	6,93,802
c)	Wholesale Banking	54,160	53,491	14,608	54,160	14,608
d)	Other Banking Operations	32	28	-	32	-
e)	Unallocated	29,755	29,526	26,608	29,755	26,608
f)	Capital and Other Reserves	1,19,742	74,335	61,061	1,19,742	61,061
	<b>Total Liabilities</b>	<b>9,29,528</b>	<b>8,84,965</b>	<b>7,99,077</b>	<b>9,29,528</b>	<b>7,99,077</b>

-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.



**CAPITAL SMALL FINANCE BANK LIMITED**

Registered Office: MIDAS Corporate Park, 3<sup>rd</sup> Floor, 37, G.T. Road, Jalandhar – 144001, Punjab  
Tel.:0181-5051111, 5052222 | Fax: 0181-5053333 |E-mail: investorrelations@capitalbank.co.in  
CIN: L65110PB1999PLC022634

**Notes:**

**1. Statement of Assets and Liabilities is as below:**

Particulars	(₹ in lacs)	
	As at March 31, 2024 Audited	As at March 31, 2023 Audited
<b>CAPITAL AND LIABILITIES</b>		
Capital	4,504	3,425
Reserves and Surplus	1,15,238	57,636
Deposits	7,47,774	6,56,062
Borrowings	47,225	72,138
Other Liabilities and Provisions	14,787	9,816
<b>Total</b>	<b>9,29,528</b>	<b>7,99,077</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	56,898	46,265
Balances with Banks and Money at call and short notice	75,218	41,821
Investments	1,70,571	1,48,858
Advances	6,07,469	5,42,869
Fixed Assets	8,373	8,259
Other Assets	10,999	11,005
<b>Total</b>	<b>9,29,528</b>	<b>7,99,077</b>
Contingent Liabilities	6,300	5,647
Bills for Collection	-	-

**2. Statement of Cash Flow is as below:**

Particulars	(₹ in lacs)	
	As at March 31, 2024 Audited	As at March 31, 2023 Audited
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxes	14,821	12,416
Adjustments For:		
Depreciation Charge/Amortization on Fixed Assets	1,690	2,067
Loan Loss Provision	669	2,455
Profit on Sale of Fixed Assets	(12)	(1)
Employee Stock Options Expense	419	267
Depreciation/(Reversal of Depreciation) on Investments	(74)	134
Operating profit before working capital changes	17,513	17,338
Movement in working capital		
(Increase)/Decrease in Term Deposits with other Banks	(26,717)	23,260
(Increase)/Decrease in Investments (other than HTM Investments)	(7,187)	4,947
(Increase) in Advances	(65,253)	(81,856)
Increase In Deposits	91,712	51,426
Decrease/(Increase) In Other Assets	375	(4,945)
Increase In Other Liabilities & Provisions	4,955	754
<b>Cash Flow from Operating Activities</b>	<b>15,398</b>	<b>10,924</b>
Direct Taxes Paid (net of refunds)	(4,100)	(3,436)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>11,298</b>	<b>7,488</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,845)	(1,976)
Proceeds from Sale of Fixed Assets	54	10
Investments in HTM securities (Net)	(14,452)	(18,233)
<b>NET CASH FLOW USED IN INVESTING ACTIVITIES</b>	<b>(16,243)</b>	<b>(20,199)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital including Share Premium	50,053	199
Share issue expenses	(2,458)	-
Net Proceeds from the new issue of Unsecured Redeemable Non-Convertible Bonds/(Redemption of Bonds)	2,286	2,613
Net (Decrease)/Increase in Borrowings/ Refinance	(27,199)	19,682
Dividend Payment	(424)	(342)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>22,258</b>	<b>22,152</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>17,313</b>	<b>9,441</b>
Cash & Cash Equivalents in the beginning of the year	49,194	39,753
Cash & Cash Equivalents at the end of the year	66,507	49,194

3. The above financial results for the quarter and year ended March 31, 2024 have been reviewed by the Audit Committee at its meeting held on May 08, 2024 and recommended to the Board of Directors. The Board of Directors of the Bank have considered and approved the same at its meeting held on May 09, 2024. The results have been audited by the Statutory Auditors of the Bank and they have issued their unmodified Audit Report thereon.

4. These financial results of the Bank have been prepared in accordance with Banking Regulation Act 1949, generally accepted accounting principles in India, including Accounting Standards 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 Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.





**CAPITAL SMALL FINANCE BANK LIMITED**

Registered Office: MIDAS Corporate Park, 3<sup>rd</sup> Floor, 37, G.T. Road, Jalandhar – 144001, Punjab  
 Tel.: 0181-5051111, 5052222 | Fax: 0181-5053333 | E-mail: investorrelations@capitalbank.co.in  
 CIN: L65110PB1999PLC022634

5. The Bank has applied significant accounting policies in the preparation of financial results that are consistent with those followed in annual financial statements for the year ended March 31, 2023. Any circular / direction issued by the Reserve Bank of India is implemented prospectively when it becomes applicable.
6. The figure of last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
7. 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;
  - 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.
8. 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.
9. The Board of Directors at its meeting held on May 09, 2024 have proposed a dividend of ₹1.20 (₹1.20 per share for the previous year) per equity share having face value of ₹10 each. The effect of proposed dividend has been reckoned in determining capital funds for computation of capital adequacy ratio as on March 31, 2024 and March 31, 2023.
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 year ended March 31, 2024 is as under:

(₹ in lacs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as on September 30, 2023 (A) <sup>1</sup>	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 <sup>2</sup>	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as on March 31, 2024
Personal Loans	1,582	146	-	95	1,341
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	168	27	-	19	122
<b>Total</b>	<b>1,750</b>	<b>173</b>	<b>-</b>	<b>114</b>	<b>1,463</b>

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

<sup>1</sup> includes requests received till September 30, 2021 implemented subsequently

<sup>2</sup> Net of increase in exposure during the period

11. During the year ended March 31, 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 audit or 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

  
 Sarvjit Singh Samra  
 Managing Director  
 DIN: 00477444



Date: May 09, 2024  
 Place: Jalandhar



CSFB.2024-25/61

May 09, 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

Dear Sir/ Madam,

**Subject: Declaration regarding Audit Reports with unmodified opinion for the Financial Year ended on March 31, 2024 pursuant to Regulation 33(3)(d) & 52(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

Pursuant to the requirement of Regulation 33(3)(d) & 52(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby declare that M/s S C V & Co. LLP, Chartered Accountants (FIRM REGISTRATION No. 000235N/N500089) of the Bank have submitted the Audit report with unmodified opinion for Annual Audited Financial results/statements of the Bank for the Financial Year ended on March 31, 2024.

Web request you to take the above on records.

Thanking You,  
Yours faithfully


For Capital Small Finance Bank Limited



Aseem Mahajan  
Chief Financial Officer  
Place: Jalandhar



**Capital Small Finance Bank Limited**

Regd. & Head Off. : MIDAS Corporate Park, 3rd Floor, 37, G.T.Road, Jalandhar - 144001, INDIA  
Tel. : 0181-505 1111, 505 2222 | Fax : 0181-505 3333 | e-mail : mail@capitalbank.co.in | www.capitalbank.co.in  
 www.facebook.com/capitalbankindia | CIN : L65110PB1999PLC022634

**CEO & CFO CERTIFICATION**

To,  
**The Board of Directors**  
**Capital Small Finance Bank Limited**

1. Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have reviewed financial statements and the cash flow statement for the year ended on March 31, 2024 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii. these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations
2. There are, to the best of our knowledge and belief, no transactions entered into by the Bank's during the year which are fraudulent, illegal or violative of the Bank's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Bank pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
4. We have indicated, to the Auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Bank's internal control system over financial reporting.

  
**Sarvjit Singh Samra**  
Managing Director & CEO




  
**Aseem Mahajan**  
Chief Financial Officer



Place: Jalandhar  
Date: May 09, 2024

**Capital Small Finance Bank Limited**

Regd. & Head Off. : MIDAS Corporate Park, 3rd Floor, 37, G.T.Road, Jalandhar - 144001, INDIA  
Tel. : 0181-505 1111, 505 2222 | Fax : 0181-505 3333 | e-mail : mail@capitalbank.co.in | www.capitalbank.co.in  
 www.facebook.com/capitalbankindia | CIN : L65110PB1999PLC022634

**Independent Auditor's Certificate**

To,  
Capital Small Finance Bank Limited  
MIDAS Corporate Park, 3<sup>rd</sup> Floor,  
37, G.T. Road, Jalandhar,  
Punjab-144001

**Subject: Independent Auditor's Report on maintenance of Security Cover including compliance with all the financial covenants in respect of listed non-convertible debt securities issued by Capital Small Finance Bank Limited and outstanding as on 31st March 2024**

1. This report is issued in accordance with the terms of our Engagement letter dated March 08, 2024 with Capital Small Finance Bank Limited ('the Bank').
2. The accompanying statement showing maintenance of Security Cover including compliance with all the financial covenants for listed Non-Convertible Debentures ("NCD's") issued by Capital Small Finance Bank Limited (the "Bank") which were outstanding as at March 31, 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 March 31, 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 financial covenants of debt securities. On a quarterly basis, the bank shall furnish to the debenture trustee the compliance status with respect to financial covenants of the listed 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 book values of the assets and compliance with financial covenants, as mentioned, as per the debenture trust deeds in respect of NCDs of the bank outstanding as at 31st March 2024, is not in agreement, in all material respects, with audited financial statements of the bank, underlying books of account and other relevant records and documents maintained by the bank for the quarter ended 31st March 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:
- a. Traced and agreed on the amounts mentioned in the Statement with the audited financial statements for the year ended 31<sup>st</sup> March 2024.
  - b. Verified the arithmetical accuracy of the computation of Security Cover mentioned in the Statement.
  - c. Verified the security cover details as per the Term sheets and books and records of the Bank. and
  - d. Verified all covenants as per the Term sheets of NCDs issued by the Bank.
7. We have audited the financial statements of the Bank for the year ended March 31,2024 and expressed an unmodified opinion vide our Audit Report dated May 09, 2024. We conducted our audit of the Financial Statement in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the audit to obtain reasonable assurance as to whether the Financial Statements are free of material misstatement.
8. 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.
9. 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

10. 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:
- a. The book value of assets mentioned in the Statement is not correctly extracted from the audited books and records of the Bank as at 31st March 2024;
  - b. The Bank is not in compliance with all the financial covenants mentioned in the Offer document/ Information Memorandum/ Debenture Trust Deeds in respect of listed non-convertible debt securities.



## Restriction on Use

11. 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: 24516834BKBMNT8505

Place: Noida

Dated: 09 May, 2024

Column A	Column B	Column C <sup>i</sup>	Column D <sup>ii</sup>	Column E <sup>iii</sup>	Column F <sup>iv</sup>	Column G <sup>v</sup>	Column H <sup>vi</sup>	Column I <sup>vii</sup>	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 <sup>viii</sup>	Carrying value/book value for pari passu charge as sets 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								
<b>ASSETS</b>														
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														

Regd. & Head Off. : MIDAS Corporate Park, 3rd Floor, 37, G.T.Road, Jalandhar - 144001, INDIA  
 Tel : 0181-505 1111, 505 2222 | Fax : 0181-505 3333 | e-mail : mail@capitalbank.co.in | www.capitalbank.co.in  
 www.facebook.com/capitalbankindia | CIN : L65110PB1999PLC022634

**Capital Small Finance Bank Limited**



Great Place To Work  
 Certified







ISIN	Private Placement/ Public Issue	Secured/Unsecured	Sanctioned Amount (In crores)	Outstanding Amount as on March 31, 2024 (In crores)	Cover Required	Assets Required
INE646H08012	Private Placement	Unsecured	14.00	14.00	NIL	NIL
INE646H08020	Private Placement	Unsecured	25.00	25.00	NIL	NIL

For Capital Small Finance Bank Limited

*Amit Sharma*



**Amit Sharma**

Company Secretary & Compliance Officer

Membership No: F10888

Date: May 09, 2024





**Investor Presentation  
Quarter and Year Ended March 2024**

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 6,160 cr**  
+19% CAGR<sup>^</sup>

- Diversified Loan book with Zero direct Microfinance Exposure
- 99.86% secured loans
- Average Ticket Size (ATS) of INR 14.2 lakhs
- Loan book mix across Agricultural, Mortgage, MSME and Others



## Embracing Retail Liability Strategy

**Deposits: INR 7,478 cr**  
+15% CAGR<sup>^</sup>

- Retail focused liability franchise with retail-deposit share of 92.9%
- High CASA ratio of 38.3% resulting into lower Cost of Deposit
- High Rollover ratio of 91.15% depicting a stable deposit base



## Consistent Profitability Growth

**PAT: INR 112 cr**  
+42% CAGR<sup>^</sup>

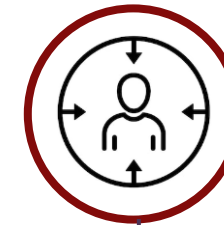
- Demonstrated and sustained improvements in return metrics
- ROA 1.3% and ROE 14.6% (2.5x and 1.8x respectively since FY19)
- Consistently increasing NIM, consequent to accelerating CD ratio (improved by 11.5 pp from FY21-FY24)



## Robust Asset Quality

**GNPA 2.8%; NNPA 1.4%**

- One of the lowest write-offs in the Banking industry with NO NPA sell-off
- Credit Cost of 0.1%
- Strong underwriting capabilities, visibility of borrower cash-flow, primary banking approach; key contributor to low credit cost



## Targeted towards Middle-income customer segment

**7,40,000+ 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

All figures are as of/for the FY24

\*Operated as a Local Area Bank from 2000-2016

<sup>^</sup>CAGR (FY2019-24)

# Highlights of our Progress in FY24



## Gross Advances

**Rs. 6,160 crores**  
as of March 2024

+19% CAGR<sup>^</sup>  
+12% YoY  
+8% QoQ



## Profit After Tax

**Rs. 112 crores**(FY24)  
**Rs. 28 crores**(Q4FY24)

+42% CAGR<sup>^</sup>  
+19% YoY  
+16% QoQ



## CASA Ratio

**38.3%**  
as of March 2024



## Retail Deposit Ratio

**92.9%**  
as of March 2024



## Deposits

**Rs. 7,478 crores**  
as of March 2024

+15% CAGR<sup>^</sup>  
+14% YoY



## ROA

**1.3%**  
as of March 2024

**2.5x**  
(since FY19)



## Asset Quality

**2.8%/1.4%**  
GNPA/NNPA



## CRAR

**27.4%**  
Core CRAR 22.8%



## Disbursement

**Rs.2,068 crores** (FY24)  
**Rs.676 crores** (Q4FY24)

+76% QoQ



## ROE

**14.6%**  
as of March 2024

**1.8x**  
(since FY19)



## Collection Efficiency

**98.3%**  
as of March 2024



## Branch Network

**177 branches**  
across 5 states  
And 1 Union Territory

CASA calculated as total CASA divided by total deposits

<sup>^</sup>CAGR (FY2019-24)

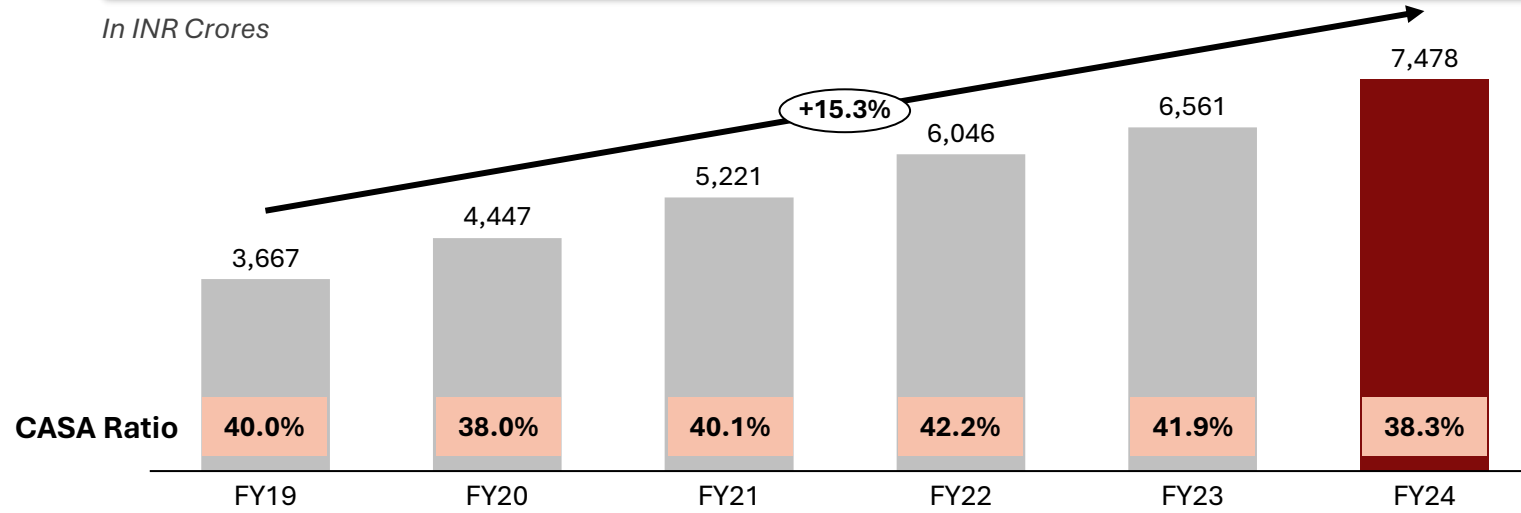
ROE is calculated as % of Avg Equity

ROA is calculated as % of Avg Assets

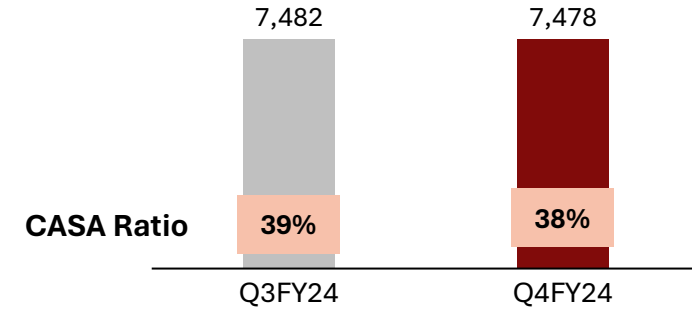
# Retail Focused Liability Franchise with High Share of CASA

## Total Deposits

In INR Crores



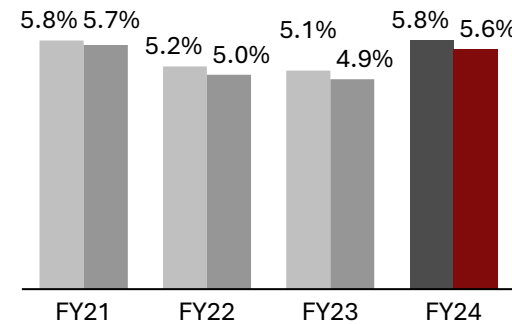
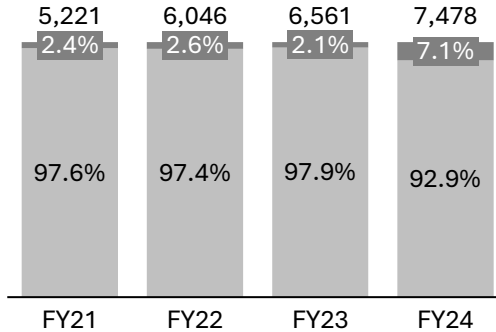
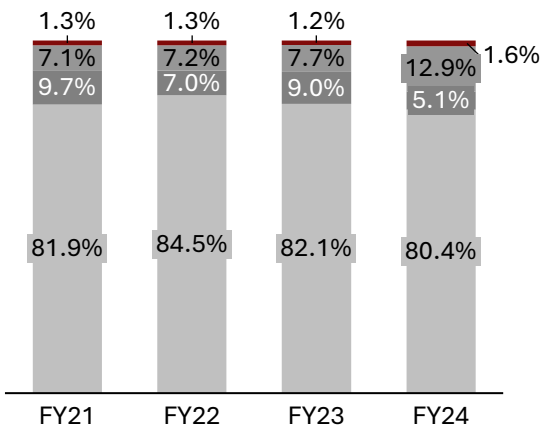
## QoQ



### Funding Mix – Positively skewed towards Deposits

### Retail-centric Deposit Focus

### Leading to low financing cost



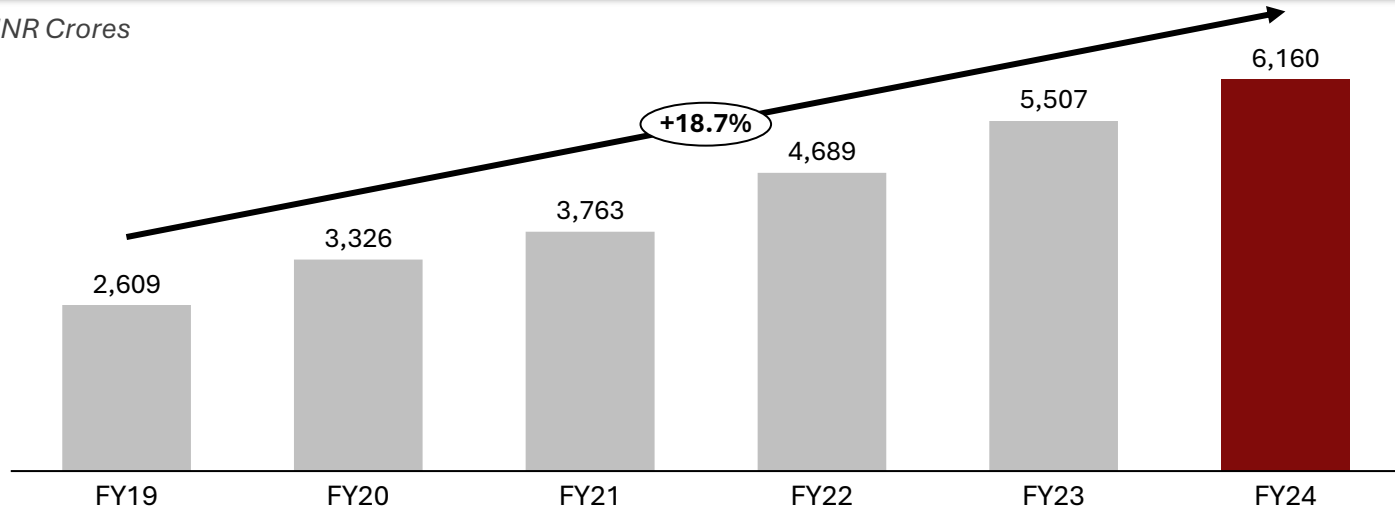
- **Consciously calibrated deposit growth** owing to low CD ratio and high leverage ratio (prior to IPO)
- **Ability to quickly ramp up deposit mobilization**
- **Focus on granular & retail centric deposits, with negligible Bulk deposits** (Top 20 depositors ~7%)
- **Consistent Rollover ratio of term deposits ~90%+**
- **Consistently maintaining CASA above 38%** (interest on saving bank accounts is 3.5%)

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

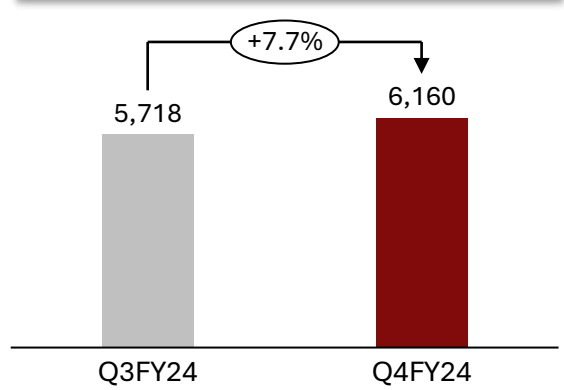
# Diversified & Secured Advance Portfolio

## Gross Loan Book

In INR Crores



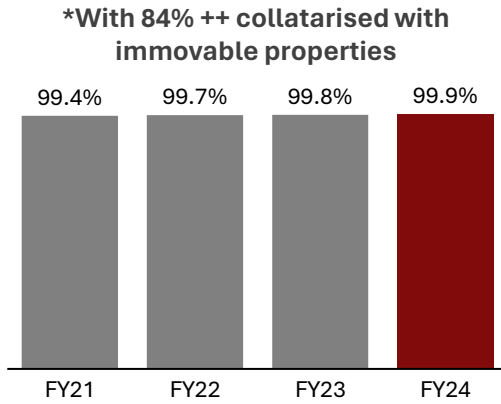
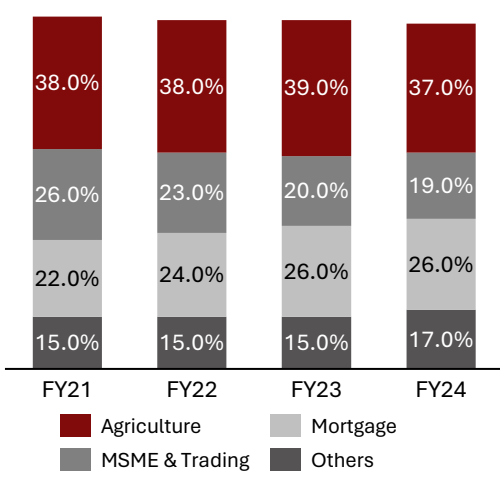
## QoQ



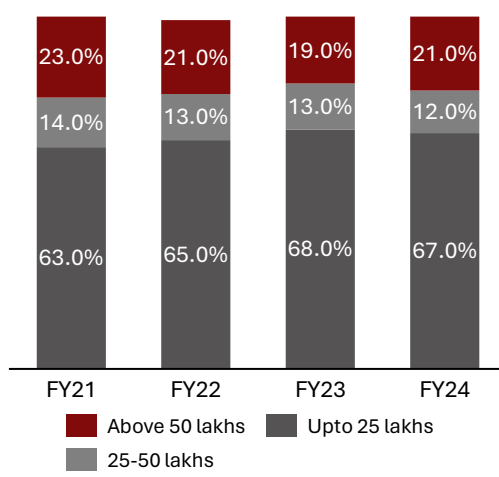
Diversified Portfolio & non reliance on MFI segment

Emphasis on Secured lending

Granular loan book



\*With 84% ++ collateralised with immovable properties



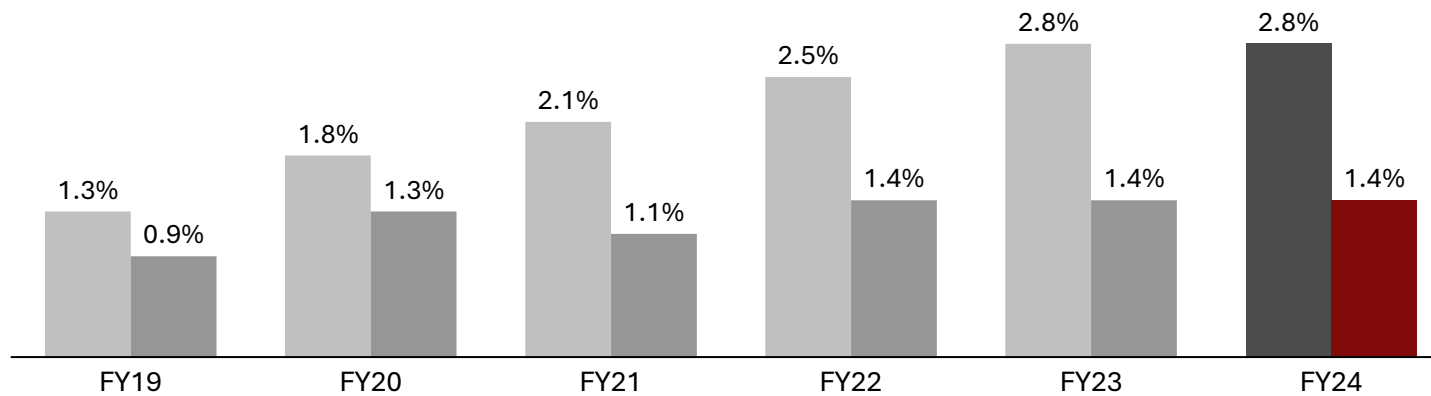
- Focus on middle income customer segment, with endeavour to be the full suite Banker (Portfolio ATS of INR 14.2 lacs)
- Diversified portfolio with each segment witnessed multiple cycles
- Post growth capital infusion (Feb 2024); acceleration in disbursement (Q4 INR 675 cr ++ with QoQ growth of 76%)

^CAGR (FY2019-24)

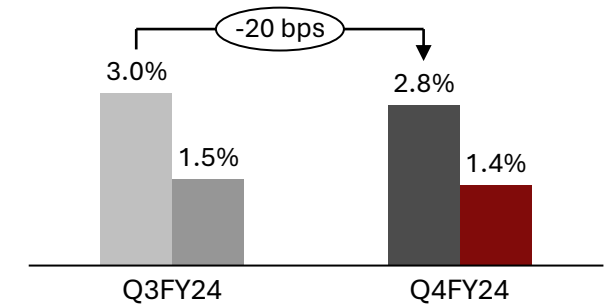
Numbers have been rounded off wherever applicable



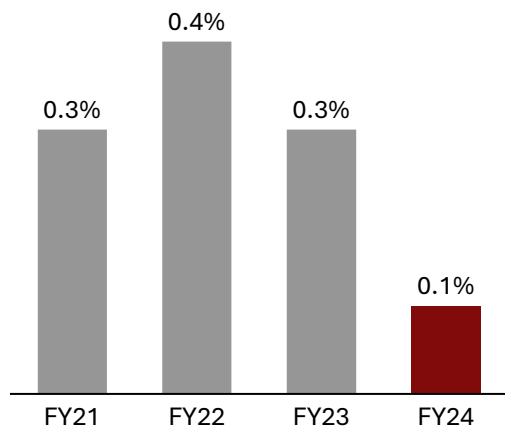
## Asset Quality



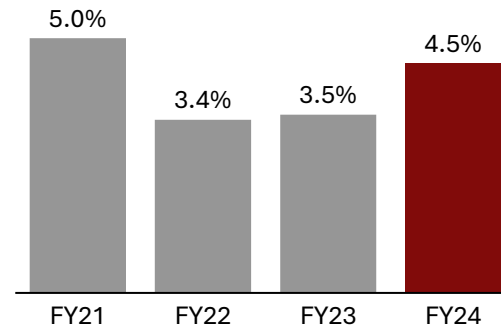
## QoQ



## Credit Cost<sup>2</sup>

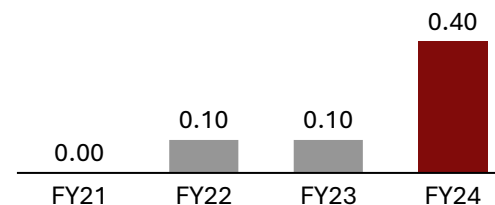


## SMA 1 & 2 Portfolio<sup>3</sup>



## Almost NIL write-offs<sup>1</sup> & ZERO NPA Sell-off

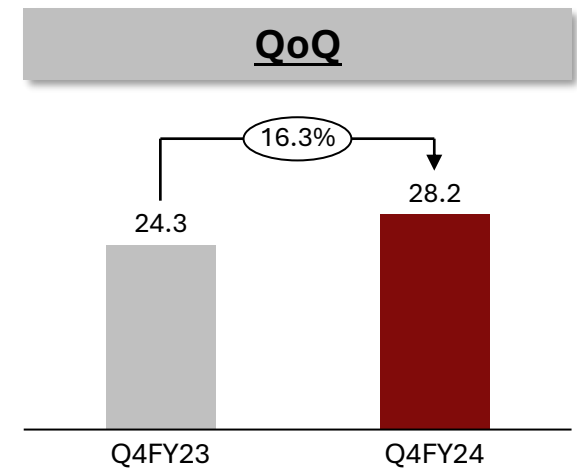
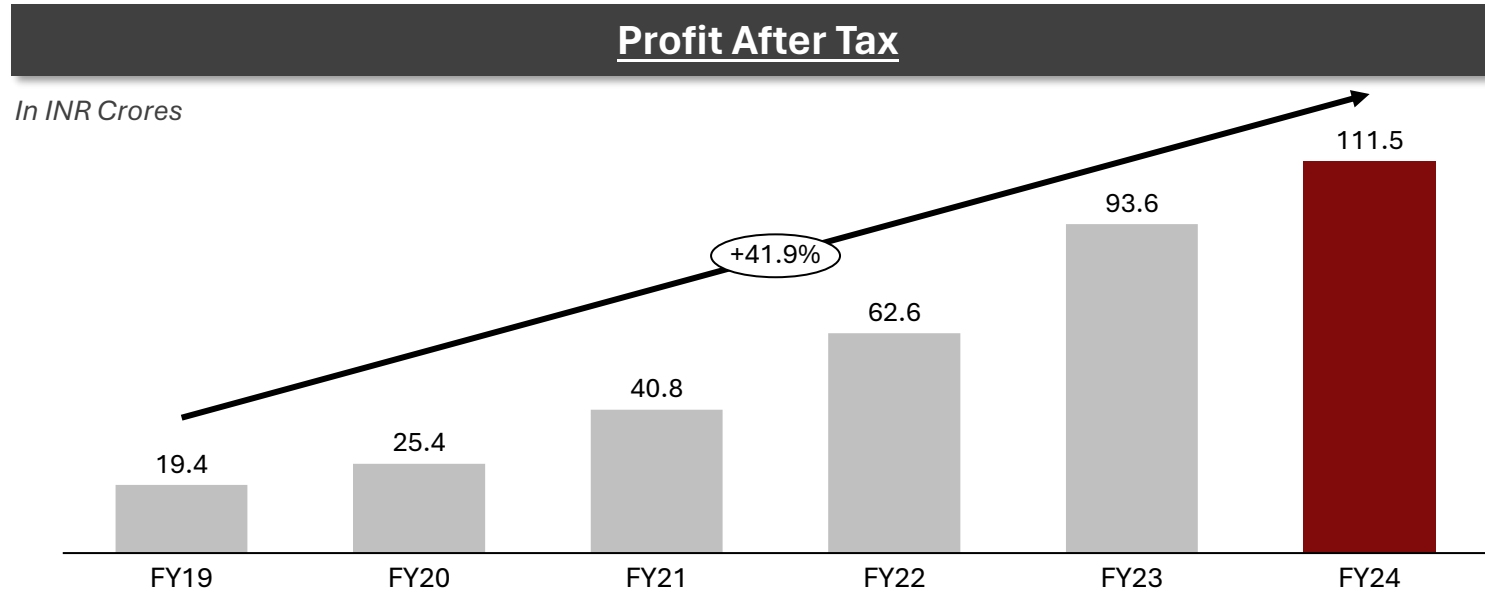
In INR Crores



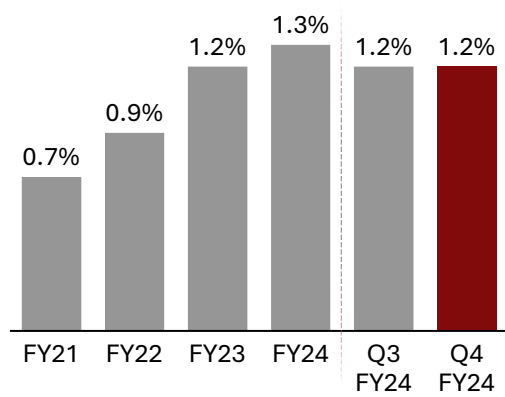
1. Write offs includes technical write offs  
 2. As %age of average assets  
 3. As %sge of gross advances

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

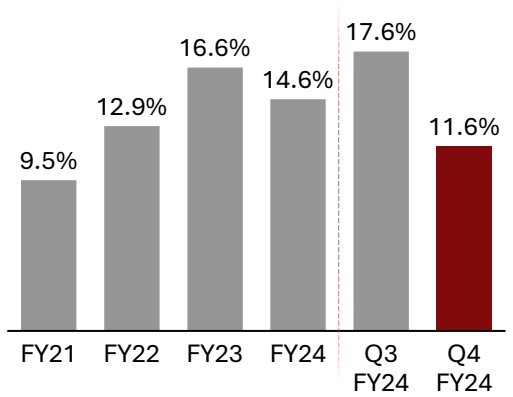
# Consistently Improving Profitability



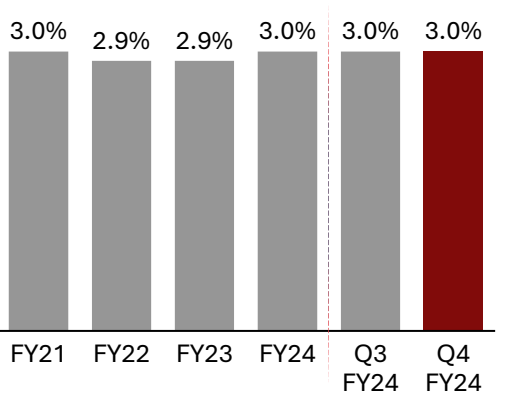
### RoA<sup>1</sup>



### RoE<sup>2</sup>



### Opex Ratio<sup>3</sup>



1. ROA is calculated as % of Avg Assets  
 2. ROE is calculated as % of Avg Equity  
 3. Opex% is calculated as Operating Expenses to Avg Assets

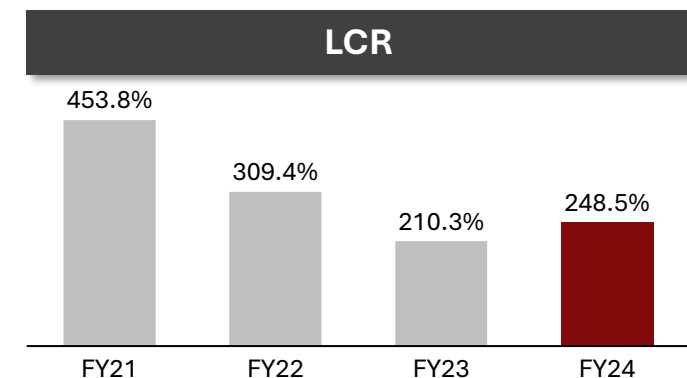
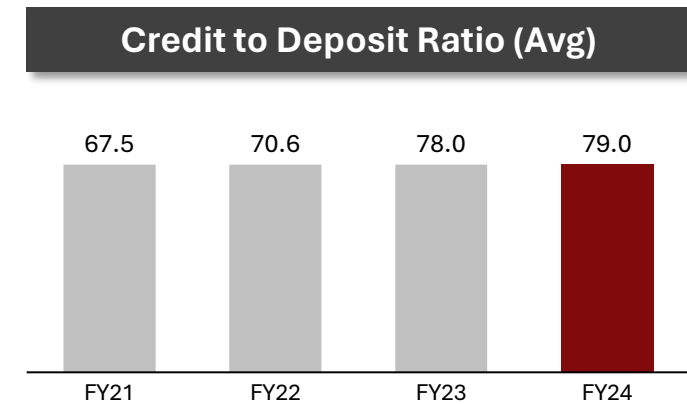
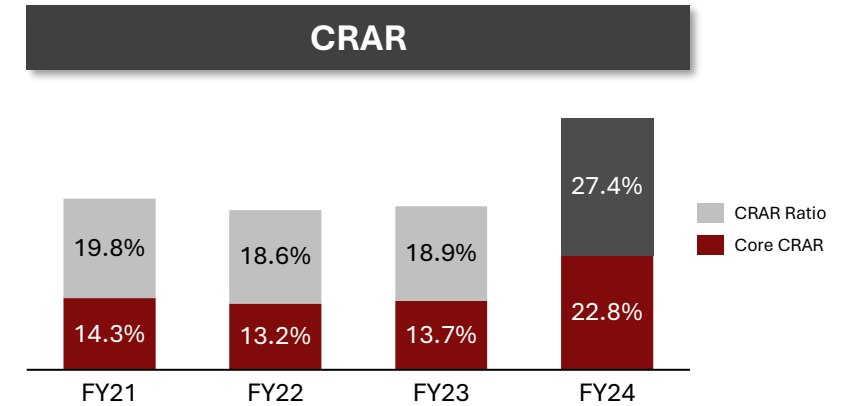
- Demonstrated consistent improvement in return metrics: ROA 2.5x and ROE 1.8x (since FY19)
- Growth drivers includes improving CD ratio resulting in acceleration in NIM, operating leverage benefit and increasing non fund based income
- ROE for FY24 and Q4FY24 has been calculated using weighted daily average method and post considering capital infusion of ~Rs. 500++ crores

# .....And Return Ratios

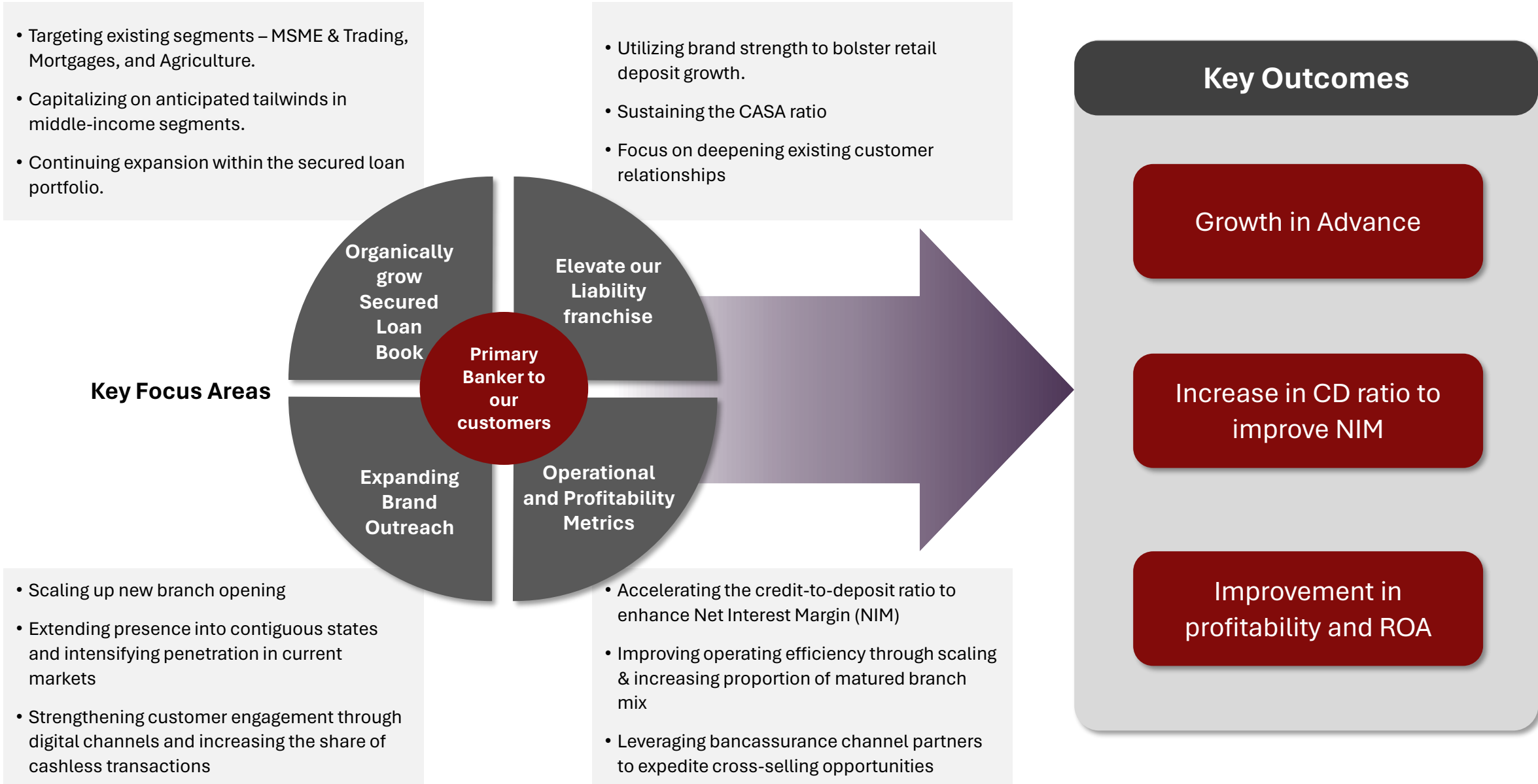
Key business parameters	As of / For the			
	FY21	FY22	FY23	FY24
Credit to Deposit ratio (Avg) (%)	67.5	70.6	78.0	79.0
Interest Spread <sup>1</sup>	5.6	5.9	5.9	5.6
Cost to Income ratio (%)	70.7	63.4	60.0	62.5
Return Ratios(%)				
Net interest margin	3.4	3.8	4.2	3.9
Non Interest Income <sup>2</sup>	0.8	0.8	0.6	0.8
Operating expenses	3.0	2.9	2.9	3.0
Credit Cost	0.3	0.4	0.3	0.1
RoA <sup>3</sup>	0.7	0.9	1.2	1.3
RoAA <sup>4</sup>	1.2	1.6	1.9	2.0

- Effectively managed yields and interest spread across interest rate cycles; consistent increase in NIM in FY20-23 resulting from accelerating credit to deposit ratio (11.5pp increase FY21-24)
- 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. Interest Spread = Yield on advances – cost of deposits  
 2. Non-Interest Income = Total Income - Interest Earned  
 3. ROA is calculated as % of Avg Assets  
 4. 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 14<sup>th</sup> 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 OIIF & 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

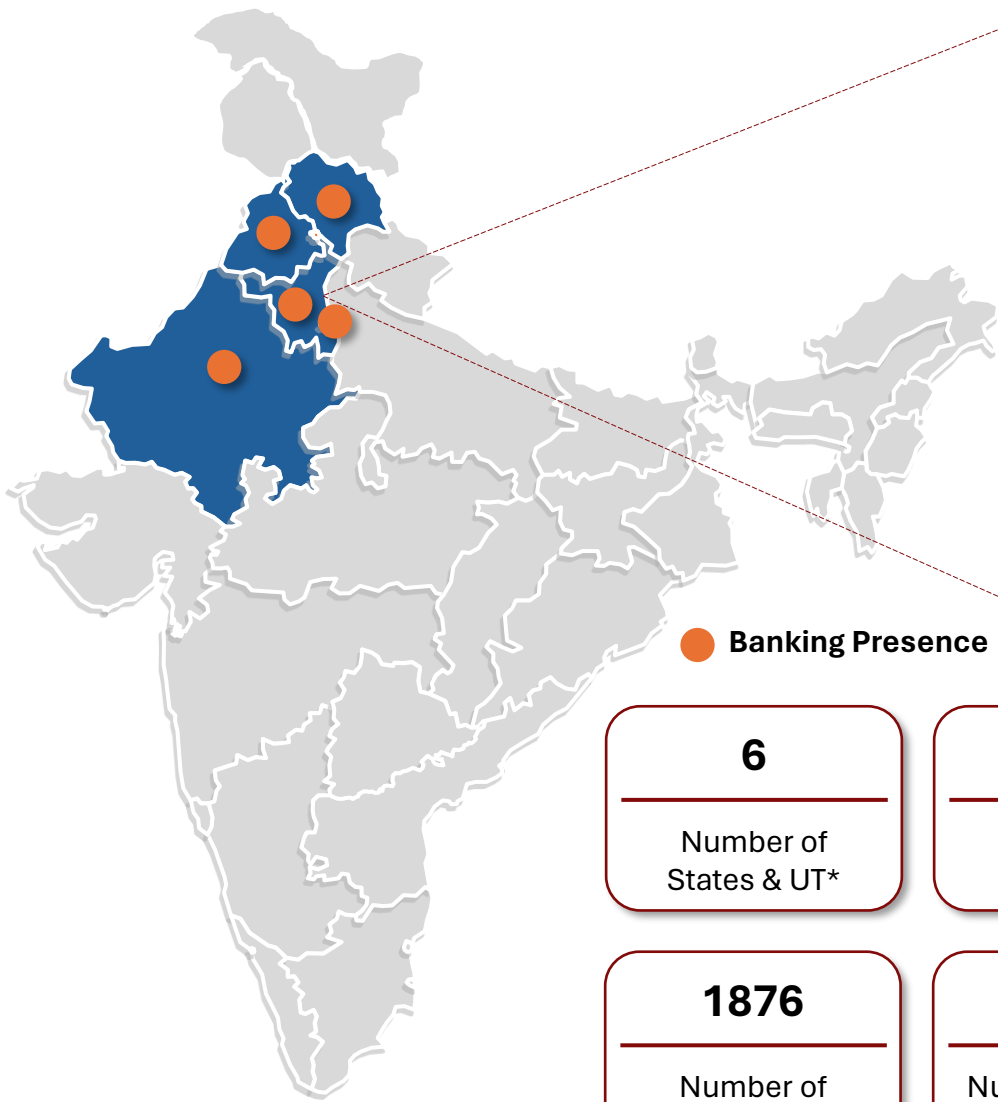
### ATM cum Debit Cards

### 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	152
UT Chandigarh	2
Haryana	16
Rajasthan	3
NCR	3
Himachal Pradesh	1
<b>Total</b>	<b>177</b>

Rural-Urban Mix	
Rural Areas	41.4%
Semi-Urban Areas	33.3%
Urban Areas	19.5%
<b>Total</b>	<b>100.0%</b>

Highest branch concentration towards rural and semi-urban areas

**6**  
Number of States & UT\*

**39**  
Number of Districts

**177**  
Branches

**1876**  
Number of Employees

**179**  
Number of ATMs

**7.41 lakh**  
Customers

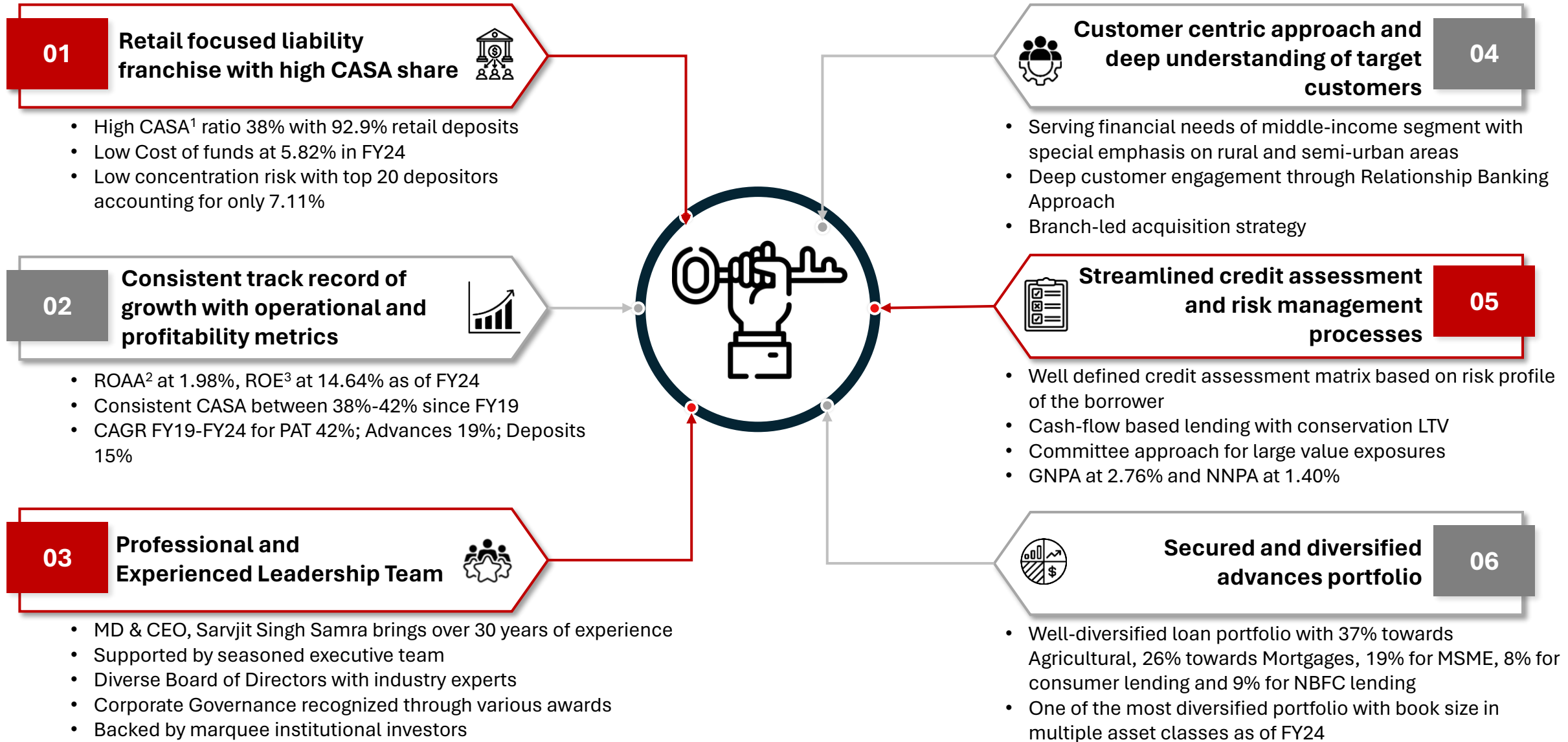
### Expansion Plan

- 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

Numbers have been rounded off wherever applicable

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



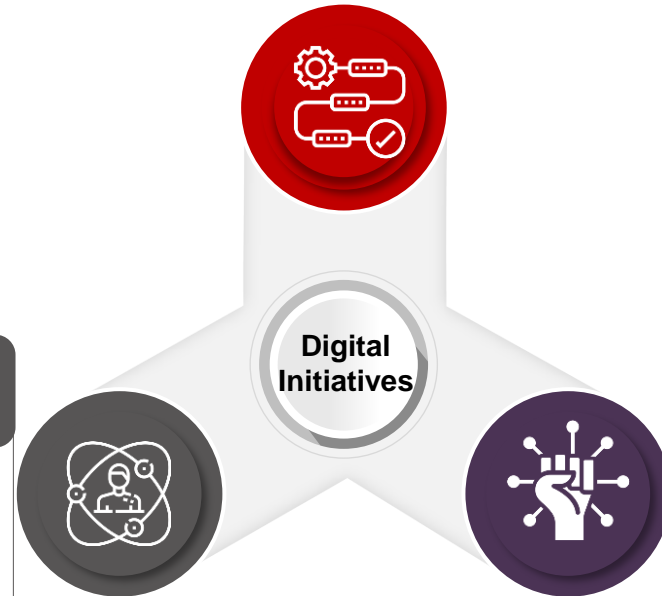
1. CASA calculated as total CASA divided by total deposits  
 2. ROAA is calculated as % of Avg Advances  
 3. ROE is calculated as % of Avg Equity

## 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

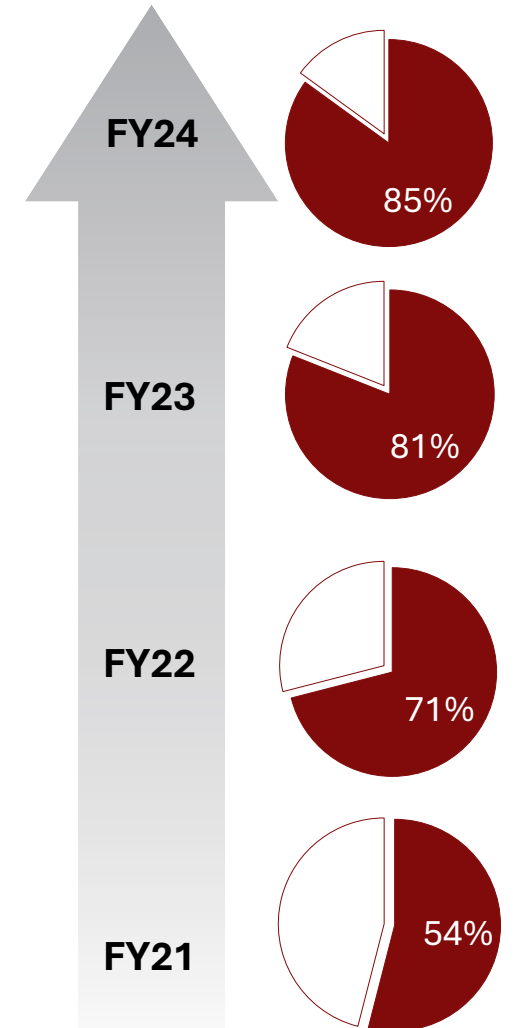
- Deepening customer engagement through digital channels
- Analysing data driven insights to offer customised solutions
- Developing alternate digital channels



## Empowering Ourselves with Technology

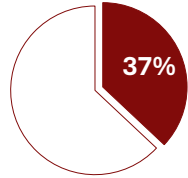
- Increasing cashless banking
- Automating operation
- Improving collections through warning systems
- Targeting and monitoring customers through data

## Share of Digital Transactions in non-cash Transactions



# Assets and Liabilities Overview

## Agricultural Loans



- Kisan Credit Card
- Agricultural Term Loan

**Rs. 2,293 crores**  
as of March 2024

**Rs. 2,137 crore**  
as of March 2023

**Rs 12.4 lakhs**

**1.69 %**  
as of March 2024

**1.40 %**  
as of March 2023

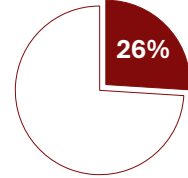
**12.08%**  
as of March 2024

**12.02%**  
as of March 2023



**Granular loan book portfolio ATS of Rs. 14.2 lakhs**

## Mortgage Loans



- Housing Loan
- Loan Against Property

**Rs. 1,624 crores**  
as of March 2024

**Rs. 1,434 crore**  
as of March 2023

**Rs 11.7 lakhs**

**0.86 %**  
as of March 2024

**0.63 %**  
as of March 2023

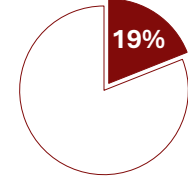
**11.81%**  
as of March 2024

**11.72%**  
as of March 2023



**Focus on middle-income customer segment**

## MSME & Trading Loans



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

**Rs. 1,182 crores**  
as of March 2024

**Rs. 1,120 crore**  
as of March 2023

**Rs 18.6 lakhs**

**2.73 %**  
as of March 2024

**3.14 %**  
as of March 2023

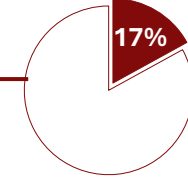
**10.74%**  
as of March 2024

**10.66%**  
as of March 2023



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

## Other Loans



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

**Rs. 566 crores**  
as of March 2024

**Rs. 425 crore**  
as of March 2023

**Rs. 1,719 lakhs**

**NIL**  
as of March 2024

**NIL**  
as of March 2023

**11.15%**  
as of March 2024

**11.01%**  
as of March 2023

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

**Rs. 495 crores**  
as of March 2024

**Rs. 391 crore**  
as of March 2023

**Rs 7.9 lakhs**

**0.35 %**  
as of March 2024

**0.33 %**  
as of March 2023

**9.72%**  
as of March 2024

**9.39%**  
as of March 2023



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

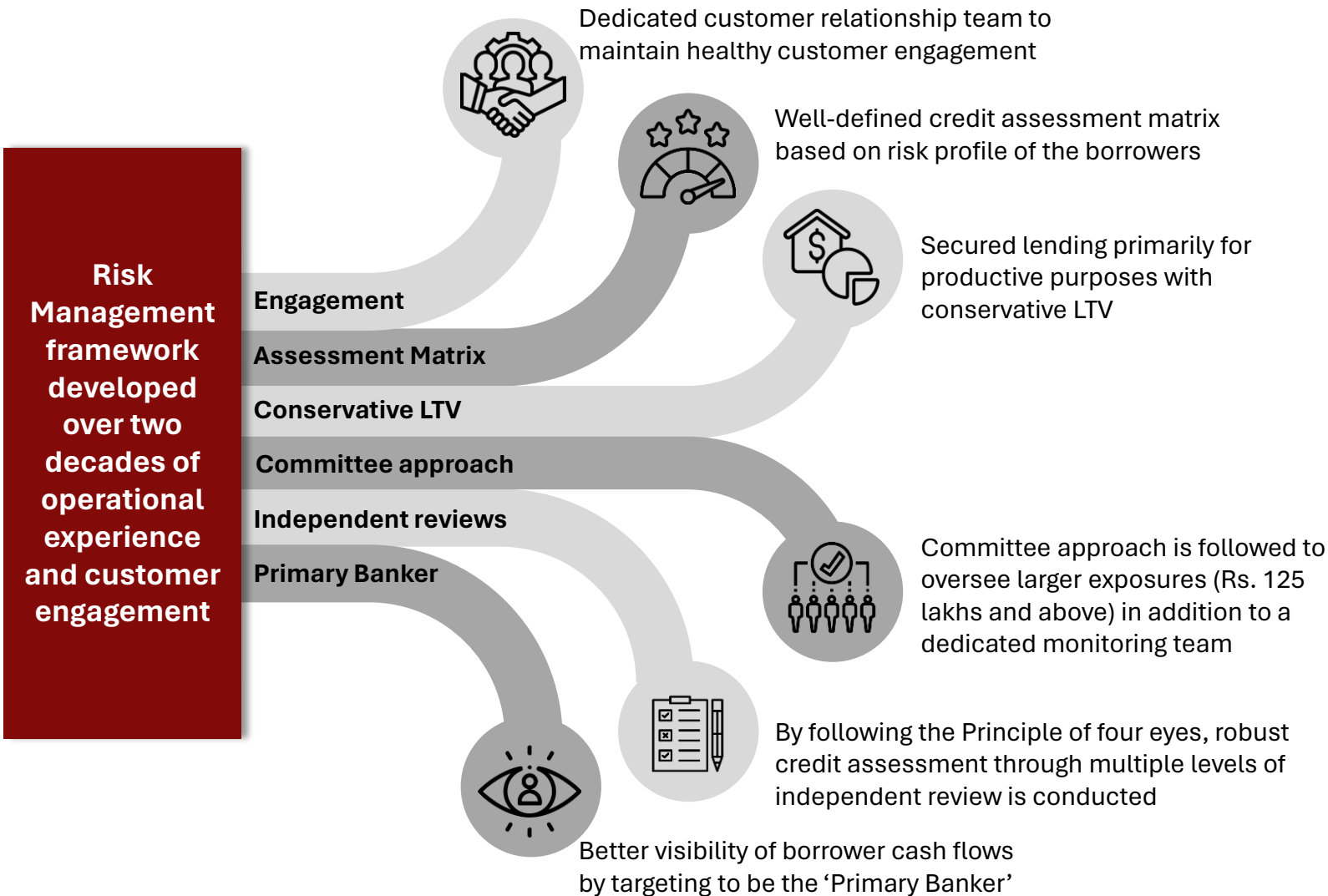
  
**Gross Advances**

  
**ATS**

  
**NNPA**

  
**Interest Yield**

...have led to Industry leading Asset Quality



**2.8%**

**GNPA as of Mar-24**

**1.4%**

**NNPA as of Mar-24**

**0.1%**

**Credit Cost as of Mar-24**

**~Zero write-offs**

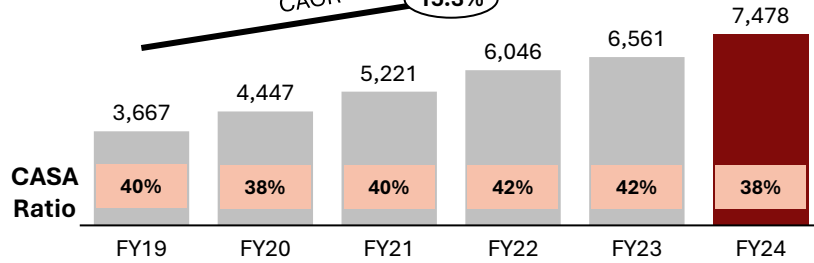
One of the most secured Asset Portfolio in the Lending Industry

# Retail-focused Liability Franchise & Diversified Advance Book

## Total Deposits

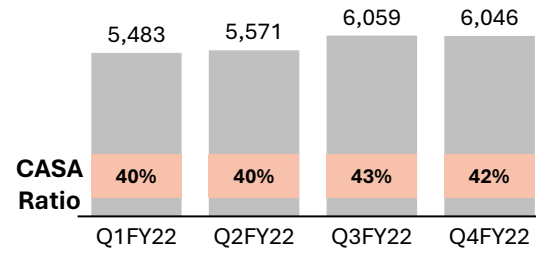
In INR Crores

CAGR **15.3%**



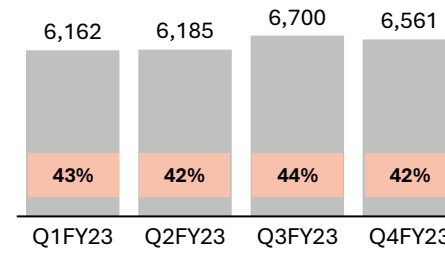
(%)	FY19	FY20	FY21	FY22	FY23	FY24
Y-o-Y	29%	21%	17%	16%	9%	14%
CAGR (2017-20) Pre Covid	23%		CAGR (2019-24)		15%	

### FY22



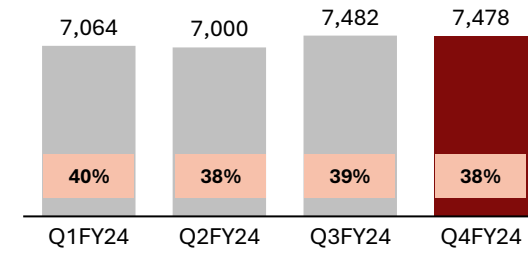
(%)	Q1	Q2	Q3	Q4
Q-o-Q	5%	2%	9%	0%

### FY23



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

### FY24

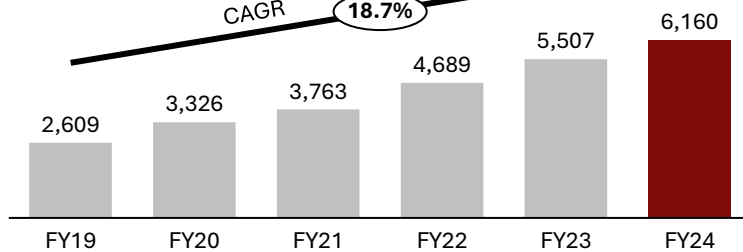


(%)	Q1	Q2	Q3	Q4
Q-o-Q	8%	-1%	7%	0%

## Gross Loan Book

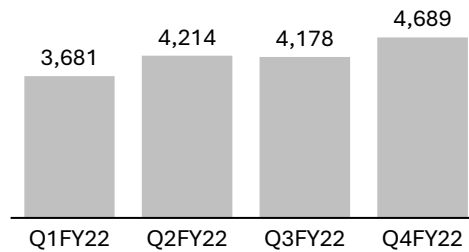
In INR Crores

CAGR **18.7%**



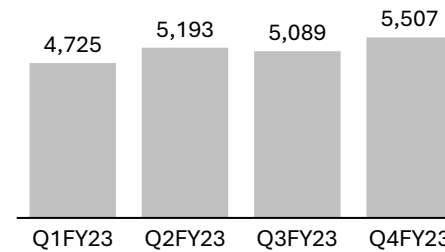
(%)	FY19	FY20	FY21	FY22	FY23	FY24
Y-o-Y	41%	27%	13%	25%	17%	12%
CAGR (2017-20) Pre Covid	34%		CAGR (2019-24)		19%	

### FY22



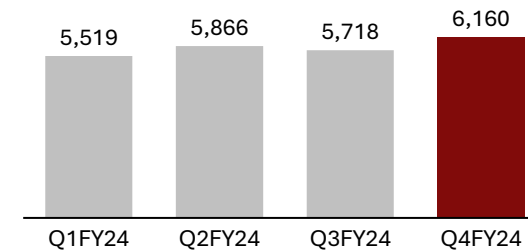
(%)	Q1	Q2	Q3	Q4
Q-o-Q	-2%	14%	-1%	12%

### FY23



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

### FY24



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



# Annexures

# Statement of Assets and Liabilities

Particulars (INR cr)	FY21	FY22	FY23	FY24	CAGR <sup>1%</sup>	YoY <sup>2%</sup>	Q3FY24	QoQ <sup>3</sup>
<b>Capital &amp; Liabilities</b>								
Net Worth	451	516	611	1,197	37%	96%	743	61%
Deposits	5,221	6,046	6,561	7,478	15%	14%	7,482	-
Borrowings	617	498	721	472			530	
Other Liabilities and Provisions	83	93	98	148			94	
<b>Total</b>	<b>6,371</b>	<b>7,154</b>	<b>7,991</b>	<b>9,295</b>			<b>8,850</b>	
<b>Assets</b>								
Cash and Balances with RBI (Balances with Banks & Money at call & short notice)	1,290	1,019	881	1,321			1,164	
Investments	1,212	1,357	1,489	1,706			1,776	
Advances	3,727	4,635	5,429	6,075	19%	12%	5,634	8%
Fixed Assets	87	84	83	84			79	
Other Assets	55	59	110	110			196	
<b>Total</b>	<b>6,371</b>	<b>7,154</b>	<b>7,991</b>	<b>9,295</b>			<b>8,850</b>	

1. CAGR (calculated from 2019-24)
2. YoY (calculated FY24 over FY23)
3. QoQ (calculated Q4FY24 over Q3FY24)

Particulars (INR cr)	FY21	FY22	FY23	FY24	CAGR <sup>1%</sup>	YoY <sup>2%</sup>	Q4FY23	Q4FY24	QoQ <sup>3</sup>
Interest Earned	511	578	676	794			179	204	
Other Income	46	54	50	67	14%	36%	16	20	30%
<b>Gross Total Income</b>	<b>557</b>	<b>632</b>	<b>726</b>	<b>861</b>	<b>18%</b>	<b>19%</b>	<b>195</b>	<b>224</b>	<b>15%</b>
Interest Expended	313	323	354	449			94	117	
Operating Expenses	173	196	223	258			60	68	
Provisions & Contingencies	31	51	55	43			16	11	
<b>Profit / (Loss) for the period</b>	<b>41</b>	<b>63</b>	<b>94</b>	<b>112</b>	<b>40%</b>	<b>19%</b>	<b>24</b>	<b>28</b>	<b>16%</b>
<b>Earnings per equity share</b>									
Basic (₹)	12.04	18.41	27.35	30.39			7.08	6.88	
Diluted (₹)	11.98	18.22	27.21	30.22			7.03	6.87	

CAGR (calculated from 2019-24)  
 YoY (calculated FY24 over FY23)  
 QoQ (calculated Q4FY24 over Q3FY24)



## Listing completed on NSE and BSE

- **IPO Date:** February 7, 2024, to February 9, 2024
- **Listing Date:** February 14, 2024
- **Funds Raised:** Rs. 523 crores including a Fresh Issue of Rs. 450 crores
- **Funds Utilization Plan:**
  - Augmenting the Tier-I capital and
  - Growth capital required for branch expansion

# THANK YOU !

**Company: Capital Small Finance Bank Limited**

***Capital Small Finance Bank*** 

CIN: L65110PB1999PLC022634

**Mr. Sahil Vijay / Ms. Bharti Babutta**

[investorrelations@capitalbank.co.in](mailto:investorrelations@capitalbank.co.in)

Website: [www.capitalbank.co.in](http://www.capitalbank.co.in)

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

**SGA** Strategic Growth Advisors

CIN: U74140MH2010PTC204285

**Mr. Aakash S Mehta / Mr. Jeet Parmar**

[aakash.s.m@sgapl.net](mailto:aakash.s.m@sgapl.net) / [jeet.parmar@sgapl.net](mailto:jeet.parmar@sgapl.net)

Tel: +91 9870679263 / +91 9619879871