

CSFB.2024-25/64

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

Sub: certificate under Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular Ref No. CIR/CFD/CMD1/162/2019 dated 25th December 2019, we hereby confirm that there has been no deviation or variation in the use of proceeds of funds raised by issue of equity shares through Public Issue.

We submit herewith a 'Nil' statement of deviation or variation in the prescribed format for use of proceeds of Public issue received during the Financial Year ended March 31, 2024.

Thanking you,

Yours faithfully,

For CAPITAL SMALL FINANCE BANK LIMITED

**AMIT SHARMA
COMPANY SECRETARY AND COMPLIANCE OFFICER
MEMBERSHIP NO.: F10888
Encl.: as above**

ANNEXURE
STATEMENT ON DEVIATION OR VARIATION

Name of listed entity	Capital Small Finance Bank Limited
Mode of Fund Raising	Public Issue
Date of Raising Funds	February 13, 2024
Amount Raised	Rs. 450 crores
Report filed for Quarter ended	Quarter ended March 31, 2024
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	Not Applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable
If Yes, Date of shareholder Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	-
Comments of the auditors, if any	-

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
Not Applicable						

Capital Small Finance Bank Limited

Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
- (c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc.

Please take the same on your record and acknowledge the receipt of the same.

For **Capital Small Finance Bank Limited**

Amit Sharma

Company Secretary and Compliance Officer
Membership No: F10888

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

Independent Auditor's Certificate on the Statement of utilisation of net proceeds for fresh issue of equity shares out of the Initial Public Offering, for the period from 14th February, 2024 to 31st March,2024

1. This certificate is issued in accordance with the terms of our engagement letter dated 8th March,2024 with Capital Small Finance Bank Limited (the Bank').
2. The accompanying statement of utilisation of net proceeds for fresh issue of equity shares out of the Initial Public Offering (IPO'), for the period from 14th February,2024 to 31st March,2024 ('the Statement' has been prepared by the Bank's management pursuant to Regulation 32(5) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 as amended from time to time. We have initialled the Statement for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the Management of the Bank. This responsibility includes the 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.
4. The Management is also responsible for ensuring that the Bank complies with the requirements of the agreement for the purpose of furnishing this Statement.

Auditor's Responsibility

5. Pursuant to the requirements stated in paragraph 2 above, it is our responsibility to provide limited assurance in the form of a conclusion as to whether any matter has come to our attention that causes us to believe that the information related to utilisation of proceeds from IPO, as included in the accompanying Statement is, in all material respects, not in agreement with the offer documents , underlying books of accounts and other relevant records and documents maintained by the Bank for the period from 14th February 2024 to 31st March 2024.
6. We conducted our examination of the Statement, on a test check basis, in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the Guidance Note), issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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, issued by the ICAI.



8. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement 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 judgment, including the assessment of areas where a material misstatement of the subject matter information is likely to arise, we have performed the following procedures in relation to the statement:
- Obtained bank statements and schedules of banks accounts where unutilized amounts are maintained, which have been prepared by the management for the period from 14th February 2024 to 31st March,2024.
 - Traced the IPO related expenses to underlying supporting and documents maintained by the Bank.
 - Recomputed the unutilized amount outstanding in the public offer account bank account, and
 - Conducted relevant management inquiries and obtained necessary representation.

Conclusion

9. Based on the procedures performed as above, evidences obtained, and the information and explanation provided to us, along with the representations provided by the Management, nothing has come to our attention that causes us to believe that the information relating to utilization of proceeds from IPO contained in the accompanying Statement is, in all material respects, not in agreement with offer documents, underlying books of accounts and other relevant records and documents maintained by the Bank for the period from 14th February ,2024 to 31st March,2024.

Restriction on distribution or use

10. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the agreement. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by, any other role we may have as statutory auditors of the Bank or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Bank.

For SCV & CO. LLP
Chartered Accountants

Firm Regn No. 000235N/ N500089



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

(SUNNY SINGH)
PARTNER

Membership No. 516834

ICAI UDIN: 24516834BKBMNT8505

Place: Noida

Dated: 09th May, 2024

Statement of utilisation of net proceeds for fresh issue of equity shares out of the initial public offering ('IPO') for the period from 14th February 2024 to 31st March 2024 ("The Statement")

The Bank has raised the money from Initial Public offer on 14th February, 2024 in which total 96,15,384 shares were subscribed & total amount raised was 450 Crores at the valuation of 468.00/- per share.

As per the Red Herring Prospectus for the corresponding Issue dated February 1, 2024 the net proceeds of IPO had the following object clause:

"The Net Proceeds are proposed to be utilised towards augmentation of our Bank's Tier-I capital base to meet our Bank's future capital requirements and for increasing branch network and business of our Bank which is primarily onward lending which are expected to arise out of growth in our Bank's assets, primarily our Bank's loans/advances and investment portfolio and to ensure compliance with regulatory requirements on capital adequacy prescribed by the RBI from time to time".

Accordingly, the utilisation of the proceeds is as follows.

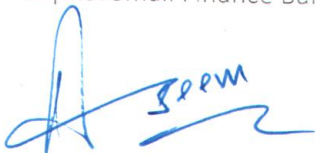
S. No	Item Head	Net amount Proposed in the Offer Document	Amount Utilised for purpose as per Prospectus			Total Unutilised amount
			As at the beginning of the year	During the period (14 th Feb, 2024- 31 st Mar-2024)	At the end of the year	
1.)	Tier I Capital (As mentioned above)	450 Crores	Nil	450 Crores	450 Crores	Nil

Basis above the bank had utilised the funds for the aforesaid purpose & it is concluded that:

- The Bank has utilized the proceeds of Initial Public Offer for the purpose as mentioned Red Herring Prospectus (Offer Document); and there was no deviation.
- The Bank has utilized for the purpose of categories for which it was raised & there was no such variation.

For and on Behalf of

Capital Small Finance Bank Limited



Aseem Mahajan

Chief Financial Officer

May 09, 2024

