

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS



(Please scan this QR Code to view the RHP)

This is an abridged prospectus containing salient features of the Red Herring Prospectus of Capital Small Finance Bank Limited dated February 1, 2024, filed with the Registrar of Companies, Punjab and Chandigarh at Chandigarh ("RoC") (the "RHP" or "Red Herring Prospectus"). You are encouraged to read greater details available in the RHP, which is available at <https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListing=yes&sid=3&ssid=15&smid=11>. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF FOUR PAGES OF BID CUM APPLICATION FORM ALONG WITH INSTRUCTIONS AND EIGHT PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Please ensure that you have read the RHP, this abridged prospectus ("Abridged Prospectus") and the general information document for investing in public offers ("GID") undertaken through the Book Building Process before applying in the Offer (as defined below). The investors are advised to retain a copy of the RHP/Abridged Prospectus for their future reference. You may obtain a physical copy of the Bid cum Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agent ("RTA"), Collecting Depository Participants ("CDPs"), Registered Brokers, Banker to the Offer, Investors' Associations or Self Certified Syndicate Banks ("SCSBs"). You may also download the RHP from the website of Securities and Exchanges Board of India ("SEBI") at www.sebi.gov.in, at the websites of National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), and together with NSE, the "Stock Exchanges" at www.nseindia.com and www.bseindia.com, respectively, and the website of our Bank at www.capitalbank.co.in and the websites of the Book Running Lead Managers at www.nuvama.com, www.damcapital.in and www.equirus.com.

Capital Small Finance Bank

CAPITAL SMALL FINANCE BANK LIMITED

Corporate Identity Number: U65110PB1999PLC022634; Date of incorporation: May 31, 1999

Registered and Corporate Office	Contact Person	Email and Telephone	Website
MIDAS Corporate Park, 3rd Floor, 37, G.T. Road, Jalandhar 144 001, Punjab, India	Amit Sharma, Company Secretary and Compliance Officer	Email: cs@capitalbank.co.in Tel.: +91 181 5051111/2222	www.capitalbank.co.in

THE PROMOTERS OF OUR BANK: SARVJIT SINGH SAMRA, AMARJIT SINGH SAMRA, NAVNEET KAUR SAMRA, SURINDER KAUR SAMRA AND DINESH GUPTA

DETAILS OF THE OFFER TO PUBLIC

Type of Offer	Fresh Offer Size	Offer for Sale size	Total Offer Size	Eligibility – 6(1)	Share Reservation among QIBs, NIBs and RIBs		
					QIBs	NIBs	RIBs
Fresh Issue and Offer for Sale	Fresh Issue of up to [●] Equity Shares of ₹ 10 each aggregating up to ₹ 4,500.00 million	Offer for Sale of up to 1,561,329 Equity Shares of ₹ 10 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of ₹ 10 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For further details, see "Other Regulatory and Statutory Disclosures – Eligibility for the Offer" on page 410 of the RHP. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Bidders, and Retail Individual Investors, see "Offer Structure" on page 431 of the RHP.	Not more than 50% of the Net Offer shall be available for allocation to QIBs. However, upto 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only.	Not less than 15% of the Net Offer or the Offer less allocation to QIBs and Retail Individual Bidders.	Not less than 35% of the Net Offer or the Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation

The Equity Shares are proposed to be listed on the Stock Exchanges being BSE Limited ("BSE") ("Designated Stock Exchange") and National Stock Exchange of India Limited ("NSE").

OFS: Offer for Sale

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE ON A FULLY DILUTED BASIS (IN ₹)
Oman India Joint Investment Fund II	Investor Selling Shareholder	Up to 836,728 Equity Shares of ₹ 10 each aggregating up to ₹ [●] million	252.00*
Amicus Capital Private Equity I LLP	Investor Selling Shareholder	Up to 151,153 Equity Shares of ₹ 10 each aggregating up to ₹ [●] million	252.00*
Amicus Capital Partners India Fund I	Investor Selling Shareholder	Up to 17,544 Equity Shares of ₹ 10 each aggregating up to ₹ [●] million	252.00*
Certain Other Persons Listed in the Red Herring Prospectus	Other Selling Shareholders	Up to 555,904 Equity Shares of ₹ 10 each aggregating up to ₹ [●] million	20.00

* As certified by M/s VP Bhalla & Associates, by way of certificate dated February 1, 2024.

The Equity Shares are proposed to be listed on BSE Limited ("Designated Stock Exchange") and National Stock Exchange of India Limited.

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Price Band	₹ [●] [^] per Equity Share to ₹ [●] [^] per Equity Share of face value of ₹ 10 each.
For details of the Price Band and the basis for Offer Price, please refer to the price band advertisement and the section titled "Basis for Offer Price" on page 149 of the RHP.	
Minimum Bid Lot Size	Minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter
Anchor Investor Bidding date	Tuesday, February 6, 2024
Bid/Offer Opens On	Wednesday, February 7, 2024
Bid/Offer Closes On	Friday, February 9, 2024 ⁽¹⁾
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, February 12, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Tuesday, February 13, 2024
Credit of Equity Shares to demat accounts of allottees	On or about Tuesday, February 13, 2024
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, February 14, 2024

(1) UPI mandate end time and date shall be at 5.00 p.m. on Bid/Offer Closing Date.

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Weighted average cost of acquisition of all shares transacted during the previous year, 18 months and three years from the date of the Red Herring Prospectus:

Period	Weighted average cost of acquisition	Cap Price is 'x' times the weighted average cost of acquisition [^]	Range of acquisition price: lowest price-highest price (in ₹)*
Last one year	Nil	●	Nil
Last 18 months	Nil	●	Nil
Last three years	135.86	●	132.00-150.00

As certified by M/s VP Bhalla & Associates, by way of their certificate dated February 1, 2024.

[^] To be updated in the Prospectus following finalisation of Cap Price, as per the finalised Price Band.

* Excluding Gift and Bonus transactions.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from or in a transaction not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Offer are being offered and sold only outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Bank, there has been no formal market for the Equity Shares of our Bank. The face value of the Equity Shares is ₹ 10. The Floor Price, Cap Price and the Offer Price, as determined and justified by our Bank, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, as stated under "Basis for Offer Price" on page 149 of the RHP should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Bank and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 27 of the RHP and page 10 of this Abridged Prospectus.

PROCEDURE

You may obtain a physical copy of the Bid cum Application Form and the RHP from the Stock Exchanges, Syndicate Members, Registrar to the Offer, Registrar and Share Transfer Agents ("RTAs"), Collecting Depository Participants ("CDPs"), Registered Brokers, Bankers to the Offer, Investors' Associations or Self Certified Syndicate Banks ("SCSBs"). If you wish to know about processes and procedures applicable to the Offer, you may request for a copy of the RHP and/or the general information document ("GID") from the BRLMs or download it from the websites of NSE and BSE at www.nseindia.com and www.bseindia.com, respectively, and the websites of the BRLMs at www.nuvama.com, www.damcapital.in and www.equirus.com.

PRICE INFORMATION OF BRLMs

S No.	Issue name	Name of BRLMs	+/- % change in closing price, +/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180th calendar days from listing
1	Mediassist Healthcare Services Limited	Nuvama	Not applicable	Not applicable	Not applicable
2	Flair Writing Industries Limited	Nuvama	14.69%, [7.22%]	Not applicable	Not applicable
3	Gandhar Oil Refinery (India) Limited	Nuvama	61.51%, [7.94%]	Not applicable	Not applicable
4	ESAF Small Finance Bank Limited	Nuvama, DAM Capital	12.87%, [7.58%]	Not applicable	Not applicable
5	Sai Silks (Kalamandir) Limited	Nuvama	8.09%, [-4.49%]	25.09%, [7.54%]	Not applicable
6	Jupiter Life Line Hospitals Limited	Nuvama	42.27%, [-1.60%]	56.54%, [6.57%]	Not applicable
7	TVS Supply Chain Solutions Limited	Nuvama, Equirus	8.71%, [1.53%]	6.57%, [1.29%]	Not applicable
8	Epacck Durable Limited	DAM Capital	Not applicable	Not applicable	Not applicable
9	Credo Brands Marketing Limited	DAM Capital	-9.89%, [-1.86%]	Not applicable	Not applicable
10	JSW Infrastructure Limited	DAM Capital	+41.34%, [-2.93%]	+75.04%, [+10.27%]	Not applicable
11	Yatra Online Limited	DAM Capital	-11.06%, [-2.63%]	-0.21%, [+8.90%]	Not applicable
12	Rishabh Instruments Limited	DAM Capital	+20.12%, [-1.53%]	+13.24%, [+4.87%]	Not applicable
13	Avalon Technologies Limited	DAM Capital	-10.09%, [+2.95%]	+59.45%, [+10.78%]	+21.32%, [+11.84%]
14	Netweb Technologies India Limited	Equirus	+73.20%, [-2.08%]	+67.87%, [-2.56%]	+182.48%, [+7.78%]
15	Zaggle Prepaid Ocean Services Limited	Equirus	+30.95%, [0.67%]	+34.39%, [+7.50%]	Not applicable
16	Protean eGov Technologies Limited	Equirus	+45.21%, [+7.11%]	Not applicable	Not applicable
17	Fedbank Financial Services Limited	Equirus	-2.75%, [+7.94%]	Not applicable	Not applicable
18	Happy Forgings Limited	Equirus	+14.06%, [-1.40%]	Not applicable	Not applicable
19	Jyoti CNC Automation Limited	Equirus	Not applicable	Not applicable	Not applicable

Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

Source: www.nseindia.com and www.bseindia.com.

(a) Issue size derived from prospectus / basis of allotment advertisement, as applicable.

(b) Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.

(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th / 90th / 180th calendar day from listing day.

(d) Wherever 30th / 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.

(e) The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable.

(f) Not applicable - Period not completed.

For further details, please refer to "Other Regulatory and Statutory Disclosures - Price information of past issues handled by the BRLMs" on page 416 of the RHP.

BOOK RUNNING LEAD MANAGERS

Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited) Tel: +91 22 4009 4400 E-mail: capitalsfb.ipo@nuvama.com Investor Grievance E-mail: customerservice.mb@nuvama.com	DAM Capital Advisors Limited Tel: +91 22 4202 2500 E-mail: capitalsfb.ipo@damcapital.in Investor Grievance E-mail: complaint@damcapital.in	Equirus Capital Private Limited Tel: +91 22 4332 0734 E-mail: capitalsfb.ipo@equirus.com Investor Grievance E-mail: investorsgrievance@equirus.com
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Name of Syndicate Members	Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited), Equirus Securities Private Limited and Sharekhan Limited
Name of Registrar to the Offer	Link Intime India Private Limited Tel: +91 810 811 4949 E-mail: capitalsfb.ipo@linkintime.co.in Investor grievance E-mail: capitalsfb.ipo@linkintime.co.in
Name of Statutory Auditors	M/s T R Chadha & Co. LLP, Chartered Accountants
Name of Credit Rating Agency and the rating or grading obtained, if any	Not applicable.
Name of Debenture Trustee, if any	Not applicable
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
SCSBs and mobile applications enabled for UPI Mechanism	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.
Syndicate SCSB Branches	In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time.
Registered Brokers	The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx and www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm , respectively, as updated from time to time.
Details regarding website address(es)/ link(s) from which the investor can obtain a list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable	The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx ? and www.nseindia.com/products/content/equities/ipo/asba_procedures.htm , respectively, as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx ? and on the website of NSE at www.nseindia.com/products/content/equities/ipo/asba_procedures.htm , as updated from time to time.

For further details, see "Offer Procedure" on page 435 of the RHP.

PROMOTERS OF OUR BANK

Sr. No.	Name	Individual	Experience and Educational Qualification
1	Sarvjit Singh Samra	Individual	He is the Managing Director and Chief Executive Officer of our Bank. He is a resident Indian national. For the complete profile of Sarvjit Singh Samra along with details of his educational qualifications, experience in the business or employment, positions/posts held in past, directorships held, special achievements, business and financial activities, see "Our Management - Brief Biographies of Directors" on page 253 of the RHP
2	Amarjit Singh Samra	Individual	He has a bachelor's degree in Science (Agriculture and Animal Husbandry) from Punjab Agricultural University. He has over 34 years of experience in asset finance and has previously served as a director of the Jalandhar Central Cooperative Bank Limited and as the chairman of The Punjab State Cooperative Supply and Marketing Federation Limited. He has also served as the managing director of Doaba Finserve Private Limited (formerly known as Midland Financiers Doaba Private Limited) and of the erstwhile Gobind Finance & Properties Private Limited.
3	Navneet Kaur Samra	Individual	She has completed her matriculation from Punjab School Education Board. She has over nine years of experience in asset finance and has previously served as the managing director of Wepay Finance Private Limited (formerly known as Samra Leasing Private Limited).

PROMOTERS OF OUR BANK

Sr. No.	Name	Individual	Experience and Educational Qualification
4	Surinder Kaur Samra	Individual	She has completed her bachelor's course in Arts from Panjab University and holds a bachelor's degree in Teaching from Panjab University. She has over 22 years of experience in asset finance and has previously served as the managing director of Glosec Finance Private Limited (formerly known as Midland Motor Finance Company Private Limited).
5	Dinesh Gupta	Individual	He is a Non-Executive Director of our Bank. He is a resident Indian national. For the complete profile of Dinesh Gupta along with details of his educational qualifications, experience in the business or employment, positions/posts held in past, directorships held, other ventures, special achievements, business and financial activities, see "Our Management - Brief Biographies of Directors" on page 253 of the RHP.

For details in respect of the Promoters, please see the section entitled "Our Promoters and Promoter Group" beginning on page 269 of the RHP.

OUR BUSINESS OVERVIEW AND STRATEGY

Bank Overview: We commenced operations as India's first small finance bank in 2016 pursuant to RBI's approval dated March 4, 2016. We offer a range of banking products on the asset and liability side, in all the states we operate in, i.e., Punjab, Haryana, Delhi, Rajasthan, Himachal Pradesh and Union Territory of Chandigarh. Our asset products primarily include agriculture loans, MSME and trading loans (working capital, machinery loans etc.) and mortgages (housing loans and loans against property). We focus primarily on the middle-income customer segments through our presence primarily in Punjab, Haryana, Rajasthan, Delhi, Himachal Pradesh and Union Territory of Chandigarh. We have an experience of over two decades in the banking industry, having been incorporated in 1999. As on the date of the Red Herring Prospectus, our Bank does not have any subsidiaries.

Product/Service Offerings: For further information, see "Our Business – Our Banking Operations" on page 213 of the RHP.

Revenue segmentation by product/ service offering Geographies Served: India

Revenue segmentation by geographies: Not applicable

Key Performance Indicators:

(₹ in million, unless otherwise specified)

Particulars	As at and for the six months ended September 30, 2023	As at and for the six months ended September 30, 2022	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022	As at and for the financial year ended March 31, 2021
Operations					
Banking outlets	173	165	170	161	158
No. of States (including UTs)	6	6	6	5	5
Total Business (Sum of Deposits and Advances)	1,28,662.23	1,13,773.23	120,678.88	107,350.62	89,840.57
Business per branch	750.22	698.00	729.18	673.04	583.38
Total Deposits (₹ in million)	70,002.86	61,845.95	65,606.21	60,463.59	52,210.70
Total Deposits Growth (%) (3 Year CAGR)	13.40%	14.62%	13.84%	18.14%	22.35%
Deposits Per Branch	408.18	379.42	396.41	379.08	339.03
Gross loan portfolio	58,659.37	51,927.28	55,072.67	46,887.03	37,629.87
Gross Loan Portfolio Growth (3 Year CAGR)	19.49%	19.52%	18.31%	21.58%	26.63%
Total Disbursements	10,084.08	10,230.23	19,906.71	18,426.27	13,450.77
Gross Loan Portfolio/Branch	342.04	318.57	332.77	293.96	244.35
Gross loan portfolio – Product Mix					
Agriculture	22,669.26	19,916.76	21,374.52	17,807.45	14,232.11
MSME & Trading	11,533.61	11,295.51	11,204.61	10,926.22	9,730.45
Mortgage	15,288.06	13,166.55	14,344.80	11,284.49	8,096.45
Others	9168.44	7548.46	8,148.74	6,868.87	5,570.86
Gross loan portfolio - Product Mix (%)					
Agriculture	38.65%	38.36%	38.81%	37.98%	37.82%
MSME & Trading	19.66%	21.75%	20.35%	23.30%	25.86%
Mortgage	26.06%	25.36%	26.05%	24.07%	21.52%
Others	15.63%	14.53%	14.80%	14.65%	14.80%
Secured Advances as % of Total Advances	99.85%	99.76%	99.82%	99.70%	99.39%
Direct MFI Exposure as a % of Total Advances	-	-	-	-	-
Total Borrowings	5,727.60	7,832.98	7,213.83	4,984.30	6,167.20
Ratio of Deposits to Borrowings	92:8	89:11	90:10	92:8	89:11
Average Credit/Deposit Ratio	79.61%	77.55%	77.96%	70.63%	67.51%
CASA Ratio (%)	37.76%	41.56%	41.88%	42.16%	40.08%
Retail Deposit % in Total Deposits	93.59%	97.92%	97.90%	97.37%	97.60%
Liquidity Coverage Ratio	246.13%	186.70%	214.98%	229.19%	441.49%
Total Employees	1838	1721	1808	1644	1614
Gross Loan Portfolio/Employee	32.18	30.86	31.91	28.78	23.09
Business/Employee	70.58	67.62	69.92	65.90	55.12
Capital					
Net Worth	7,117.58	5,565.12	6,106.10	5,157.81	4,507.90
Total Capital Ratio (CRAR) (%)	20.72%	18.61%	18.87%	18.63%	19.80%
Tier 1 Capital Ratio	15.26%	13.00%	13.69%	13.21%	14.27%
RWD - Risk Weighted Density	53.01%	53.14%	52.69%	50.94%	46.72%

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Particulars	As at and for the six months ended September 30, 2023	As at and for the six months ended September 30, 2022	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022	As at and for the financial year ended March 31, 2021
Asset Quality					
Gross NPA (%) - Outstanding	2.73%	2.60%	2.77%	2.50%	2.08%
Gross NPA (%) - 3 Years Average	2.55%	2.22%	2.49%	2.16%	1.76%
Net NPA (%)	1.36%	1.35%	1.36%	1.36%	1.13%
Write Offs %	-	-	-	-	-
SMA 2 %	2.29%	1.85%	1.50%	1.37%	2.92%
Provision Coverage Ratio	50.96%	48.62%	51.48%	46.02%	46.14%
Standard Restructured Advances (%)	1.46%	2.24%	1.75%	2.71%	2.23%
Profitability					
Net Profit (₹ in million)	543.91	410.92	935.96	625.69	407.84
PPOP	753.84	672.49	1487.04	1132.14	714.86
Yield on Advances (%)	5.55%	5.29%	10.76%	10.89%	11.26%
Cost of Deposits (%)	2.72%	2.43%	4.90%	5.02%	5.68%
Cost of Funds (%)	2.84%	2.52%	5.11%	5.20%	5.83%
Net Interest Margin (%)	2.02%	2.03%	4.19%	3.74%	3.36%
Interest Spread (%)	2.83%	2.86%	5.86%	5.87%	5.58%
Credit Cost Ratio (%)	0.04%	0.17%	0.32%	0.42%	0.30%
Operating Expenses to Total Average Assets (%)	1.47%	1.43%	2.90%	2.87%	2.93%
Cost to Income Ratio (%)	62.35%	61.23%	59.97%	63.42%	70.76%
Return on Total Average Assets (%)	0.64%	0.55%	1.22%	0.92%	0.69%
Return on Average Advances (%)	0.99%	0.86%	1.89%	1.56%	1.23%
Return on Average Equity (%)	8.23%	7.66%	16.62%	12.95%	9.51%

* Not annualized

Notes: For details of our KPIs disclosed elsewhere in the Red Herring Prospectus, please see the section entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 203 and 370 of the RHP, respectively.

Client Profile: Not applicable.

Revenue segmentation in terms of top 5/10 clients or Industries Served: Not applicable

Industries Served: Banking sector

Intellectual Property: Our Bank has seven registered trademarks and has filed five applications for registration of various trademarks. Further, we have filed an application for registration of our current logo under classes 9 and 42. For details, see the section titled "Government and Other Approvals" on page 406 of the RHP.

Manufacturing Plant, if any: Not applicable.

Employee Strength: As at September 30, 2023, we have 1,838 employees. For details, see "Our Business" on page 203 of the RHP.

BOARD OF DIRECTORS					
Sr. No.	Name	Designation	Experience & Educational Qualification	Directorships in other companies	
1	Navin Kumar Maini	Independent Director and Part – Time Chairman	He holds a bachelors' degree in law and a bachelors' degree in science (honours) from the University of Delhi. Further, he holds a post-graduate diploma in international trade from the Indian Institute of Foreign Trade, a certificate of participation in the NIBM-Stanford Advanced Management Programme presented by the Stanford University Graduate School of Business and a post-graduate diploma in management from the Management Development Institute. He has over four decades of experience in the banking industry	• Subhlakshmi Finance Private Limited	
2	Sarvjit Singh Samra	Managing Director and Chief Executive Officer	He is a nominee of Oman India Joint Investment Fund II. He holds a bachelor's degree in arts and a master's degree in business administration from Guru Nanak Dev University. He has over 36 years of experience in the banking and financial industry spread over various roles, including senior positions. He has been associated with our Bank since its inception and has been instrumental in the conversion of our Bank from a local area bank to an SFB. He has previously served as the managing director of various asset financing companies. He has also previously served as our part-time chairman for over three years and has been serving as our Managing Director and Chief Executive Officer over 20 years, including 13 years in the erstwhile Capital Local Area Bank.	NIL	
3	Munish Jain	Executive Director and Chief Financial Officer	He holds a bachelor's degree in commerce from Guru Nanak Dev University. He is a fellow member of the Institute of Chartered Accountants of India and a fellow member of the Institute of Company Secretaries of India. He has over 23 years of experience in the banking sector, including in finance, compliance, treasury, strategic decision making and execution of strategic decisions. He has completed programmes on leadership of banks and financial institutions, advanced corporate finance and risk modelling and management from the Indian Institute of Management, Ahmedabad.	NIL	

BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Directorships in other companies
4	Srinath Srinivasan	Non-Executive Director	He is a nominee of Oman India Joint Investment Fund II on our Board. He holds a bachelor's degree in engineering (electronics and communication) from the National Institute of Technology, Karnataka, Mangalore University and a master's degree in business management from the Asian Institute of Management, Manila, Philippines. Further, he has completed an executive education programme on leadership skills for top management from the Indian School of Business, the Blue Ocean Strategy Programme – India Edition from INSEAD, the executive program in luxury brands from the SDA Bocconi School of Management and the independent directors certification program conducted by Hunt Partners, KPMG and Board Evaluation. He has previously served as the country head for the private equity business of Rand Merchant Bank in India and has been associated with Reliance Capital Asset Management Limited.	NIL
5	Mahesh Parasuraman	Non-Executive Director	He is a nominee of Amicus Capital Private Equity I LLP and Amicus Capital Partners India Fund I on our Board. He holds a bachelor's degree in commerce from Bangalore University, is an associate member of the Institute of Chartered Accountants of India and a member of The Institute of Cost Accountants of India. He is currently also a director of AAUM Investment Advisers Private Limited and a designated partner in Amicus India Capital Partners LLP, Plurality Partners LLP, Pluralequity Partners LLP, Amicus Capital Private Equity I LLP and Amicus Capital Private Equity II LLP. He has over 25 years of experience and was previously associated with Carlyle India Advisors Private Limited (an affiliate of The Carlyle Group), Ernst & Young LLP and Arthur Andersen & Associates.	<ul style="list-style-type: none"> • AAUM Investment Advisers Private Limited; • D2C Consulting Services Private Limited; • Sundaram Home Finance Limited; and • Wonderchef Home Appliances Private Limited
6	Dinesh Gupta	Non-Executive Director	He holds a bachelor's degree in commerce and a bachelor's degree in law from Guru Nanak Dev University. He is also a fellow member of the Institute of Company Secretaries of India. He has also received the Lean Six Sigma Green Belt Certificate from Benchmark Six Sigma. He also currently serves as a director of DSB Law Group Private Limited. He has over 35 years of experience in, among others, finance, taxation, corporate laws, corporate restructuring, commercial laws, banking and business process management.	<ul style="list-style-type: none"> • DSB Law Group Private Limited
7	Gurpreet Singh Chug	Independent Director	He holds a bachelor's degree in arts and a bachelor's degree in law from the Guru Nanak Dev University. He also holds the qualification of Licentiate from the Insurance Institute of India. He has previously served as an independent director of S.R. Impex Private Limited and has been associated with Global Financial Services as its President, M/s. Steel Products (India) as its Proprietor and presently serves as the Managing Director of Pioneer Assurance Consultants Private Limited.	<ul style="list-style-type: none"> • Pioneer Assurance Consultants Private Limited
8	Sham Singh Bains	Independent Director	He holds a bachelor's degree in arts from the Guru Nanak Dev University, Amritsar. He has vast experience in agriculture.	Nil
9	Nageswara Rao Yalamanchili	Independent Director	He holds a bachelor's degree in commerce from the Nagarjuna University. He is also a certified associate of the Indian Institute of Bankers. Prior to joining our Bank, he has held the positions of general manager and executive director in the Vijaya Bank. He was also the officer on special duty and whole time director at Syndicate Bank and also served as an executive director at Bank of Maharashtra.	<ul style="list-style-type: none"> • 125 Outreach Private Limited; • IMFAST Finfotech Private Limited; and • Ramaiah Capital Private Limited
10	Balbir Singh	Non-Executive Director	He is a nominee of SIDBI on our Board. He holds a master's degree in business administration from the Himachal Pradesh University. He is currently the general manager and regional incharge of the Chandigarh regional office in SIDBI.	<ul style="list-style-type: none"> • Nitcon Limited; and • Himachal Consultancy Organisation Limited
11	Rachna Dikshit	Independent Director	She holds a bachelor's degree in arts from the Lucknow University and master's degree in arts from the University of Allahabad. She is also a certified associate of the Indian Institute of Bankers. She was previously the chief general manager at Reserve Bank of India.	<ul style="list-style-type: none"> • India Shelter Finance Corporation Limited; • Arthimpact Digital Loans Private Limited. • India SME Asset Reconstruction Company Limited; and • Miracle Foundation India
12	Kamaldeep Singh Sangha	Independent Director	He holds both bachelor's and master's degree in arts from the Punjabi University, Patiala. He also served as the managing director of Punjab State Cooperative Bank, deputy commissioner of Amritsar and Fatehgarh Sahib, secretary to Punjab State Agricultural Marketing Board and in addition secretary to Punjab State Rural Development Board.	NIL
13	Sukhen Pal Babuta	Independent Director	He holds a bachelor's degree in science from the Punjab University. He is a certified associate of the Institute of Chartered Accountants of India since 1987 and an insolvency professional registered with the Insolvency and Bankruptcy Board of India. He has previously served as a director on the board of directors of Punjab & Sind Bank.	<ul style="list-style-type: none"> • Neo Ascot Health Services Private Limited

For further details in relation to our Board of Directors, see "Our Management" beginning on page 250 of the RHP.

OBJECTS OF THE OFFER

The Offer comprises of the Fresh Issue and the Offer for Sale.

Offer for Sale: Each of the Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the respective Selling Shareholders as part of the Offer for Sale. Our Bank will not receive any proceeds from the Offer for Sale..

Number/amount of equity shares proposed to be sold by Selling Shareholders, if any: 1,561,329. For details, please see page 3 of this Abridged Prospectus.

Net Proceeds

The details of the proceeds from the Fresh Issue are summarized in the following table:

Particulars	Estimated amount (₹ in million)
Gross proceeds of the Fresh Issue	4,500.00
(Less) Fresh Issue expenses ⁽¹⁾	0.00
Net Proceeds	4,500.00

⁽¹⁾ To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

Our Bank proposes to utilize the Net Proceeds from the Fresh Issue towards augmenting 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. Further, the proceeds from the Fresh Issue will also be used towards meeting the expenses in relation to the Offer.

Means of Finance: The fund requirements set out for the aforesaid objects of the Offer are proposed to be met entirely from the Net Proceeds. Accordingly, our Bank confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR Regulations.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public offers / rights issues, if any, of our Bank in the preceding 10 years: Not applicable.

Terms of Issuance of Convertible Security, if any: Not applicable.

Name of Monitoring Agency: In terms of the proviso to Regulation 41(1) of the SEBI ICDR Regulations, our Bank is not required to appoint a monitoring agency for this Offer.

Shareholding pattern as on the date of the RHP:

Category of shareholder	Pre-Offer number of Equity Shares (Number of fully paid up Equity Shares held)	% Holding of Pre-Offer (Shareholding as a % of total number of Equity Shares)
Promoters and Promoter Group	8,489,425	23.96%
Public	26,937,711	76.04%
Non Promoters - Non Public	-	-
Total	35,427,136	100.00

SUMMARY OF RESTATED FINANCIAL INFORMATION

The details of our Equity Share capital, net worth, the net asset value per Equity Share and total borrowings as at September 30, 2023, September 30, 2022, March 31, 2023, 2022 and 2021, as per the Restated Financial Information are as follows:

(in ₹ million other than share data)

Particulars	As at and for the six months ended September 30, 2023	As at and for the six months ended September 30, 2022	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022	As at and for the Financial Year ended March 31, 2021
Capital	353.51	342.52	342.52	340.44	339.10
Net worth [@]	7,117.58	5,565.12	6,106.10	5,157.81	4,507.90
Total income	4,152.16	3,428.08	7,254.82	6,324.03	5,572.73
Profit after tax	543.91	410.92	935.96	625.69	407.84
Basic and diluted earnings per share (₹ / share)					
- Basic (in ₹)	15.59*	12.02*	27.35	18.41	12.04
- Diluted (in ₹)	15.49*	11.97*	27.21	18.22	11.98
Net asset value per Equity Share [^] (basic) (in ₹)	201.34	162.47	178.27	151.50	132.93
Net asset value per Equity Share [^] (diluted) (in ₹)	199.71	161.58	177.19	150.54	132.46
Total borrowings (as per balance sheet)	5,727.60	7,832.98	7,213.83	4,984.30	6,167.20
EBITDA [#]	806.92	664.30	1,448.23	1,006.05	702.29

[@] 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 audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation

* Not annualized

[^] Net asset value per share= Net worth as restated / Number of equity shares as at period/ year end

[#] EBITDA stands for earnings before taxes, depreciation and amortization which has been arrived at by adding depreciation and amortization, provision for taxes (net) and deferred taxes (net) to the net profit for the period/ year. Interest Income and interest expenses are not considered in arriving EBITDA having regards to the nature of Bank's business.

For further details, see "Offer Document Summary - Summary of Restated Financial Information" beginning on page 15 of the RHP.

INTERNAL RISK FACTORS

Below mentioned risks are the top 5 risk factors as per the RHP:

1. Our Bank has settled a matter with SEBI in the past in connection with allotment of Equity Shares to more than 49 investors.
2. We are required to ensure compliance with various regulatory requirements. If we are unable to comply with such laws, regulations and norms it may have an adverse effect on our business, financial condition, results of operations and cash flows.
3. We have certain contingent liabilities, including guarantees given by us on behalf of our customers in India which constituted 81.14% of the total contingent liabilities of our Bank as of September 30, 2023. If these contingent liabilities materialise, our financial condition, cash flows and results of operations may be adversely impacted.
4. There have been certain primary and secondary transactions involving our Equity Shares in the last three Financial Years.
5. We are subject to inspections by the RBI. Inspection by RBI is a regular exercise for all banks and financial institutions and RBI has observed various non-compliances by us in the ordinary course in the past and have required us to, among other things, take corrective actions. Non-compliance with the observations issued by RBI could adversely affect our business, financial condition, results of operations and cash flows.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTIONS

A. Total number of outstanding litigations involving the Bank as on date of the Red Herring Prospectus

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ in million)^
Our Bank						
By the Company	207	Nil	NA	NA	6	633.89
Against the Company	Nil	1	Nil	Nil	1	12.21
Our Directors						
By our Directors	Nil	Nil	NA	NA	Nil	NA
Against the Directors	Nil	Nil	Nil	Nil	Nil	NA
Our Promoters						
By Promoters	Nil	Nil	NA	NA	Nil	NA
Against Promoters	Nil	Nil	Nil	Nil	Nil	NA

^To the extent ascertainable. As at September 30, 2023, the Bank has not made any provisions for outstanding litigation. Further, the Bank has recognised an amount of ₹12.21 million as contingent liabilities under the head 'Claims against the Bank not acknowledged as debts', as at September 30, 2023, in respect of outstanding income tax litigations. The amount of ₹12.21 million as a percentage of the Bank's net worth as of September 30, 2023 is 0.17%. See "- We have not made provisions in our Restated Financial Statements for the amount involved in respect of the direct tax dispute with the Income-Tax Department, i.e., ₹ 12.21 million." on page 45 of the RHP.

For further details, please see the section entitled "Outstanding Litigation and Material Developments" on page 402 of the RHP.

B. Brief details of top 5 material outstanding litigation / legal proceedings initiated against our Bank and amount involved:

Litigation against our Bank

Civil Litigation

1. Randeep Singh Dhillon (the "Plaintiff") initiated a civil suit against Tanveer Dhillon, our Bank and our branch office at G. T. road, Goraya, Jalandhar (collectively "Defendants") before the Civil judge (Senior Division), Phillaur seeking, *inter alia*, a declaration and mandatory injunction to the effect that the Plaintiff is holder of 19,100 out 38,200 Equity Shares (the "Suit Shares") held by Plaintiff's deceased father Chanan Singh Dhillon and which were allegedly bequeathed by him pursuant to a will dated May 26, 2005. The Plaintiff has claimed that by virtue of being a legal heir, the Plaintiff is allegedly entitled to be the holder of the Suit Shares. The matter is currently pending, and next date of hearing is February 6, 2024.

Criminal Litigation

As of the date of the Red Herring Prospectus, there is no outstanding criminal litigation against our Bank.

Actions taken by Regulatory and Statutory Authorities

As of the date of the Red Herring Prospectus, there are no actions taken by Regulatory and Statutory authorities against our Bank.

For further details, please see the section entitled "Outstanding Litigation and Material Developments" on page 402 of the RHP.

C. Disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: None.

D. Brief details of outstanding criminal proceedings against the Promoters: None

For further details of the outstanding litigation proceedings, see "Outstanding Litigation and Material Developments" on page 402 of the RHP.

ANY OTHER IMPORTANT INFORMATION AS PER BRMLs/BANK – Nil

DECLARATION BY OUR BANK

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations/rules issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, 1992 as the case may be, have been complied with and no statement, disclosure and undertaking made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SCRA, 1956 the SCRR, 1957, the SEBI Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in the Red Herring Prospectus are true and correct.

DECLARATION BY SELLING SHAREHOLDER

Each of the Selling Shareholders hereby confirm that all statements, disclosures and undertakings made or confirmed by it in the Red Herring Prospectus about or in relation to itself, as the Selling Shareholder and its portion of the Offered Shares, are true and correct. Each of the Selling Shareholders assumes no responsibility for any other statements, disclosures and undertakings, including any statements, disclosures and undertakings, made by, or relating to our Bank or any other Selling Shareholder or any person(s) in the Red Herring Prospectus.