

July 31, 2024

National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 NSE Symbol: CSLFINANCE	BSE Limited Corporate Relationship Department Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai-400001 BSE Scrip Code: 530067
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Dear Sir / Ma'am,

Sub: Investor Presentation

Please find enclosed herewith the Copy of the Investor Presentation of the Company highlighting the performance and recent developments of the Company for the quarter ended June 30, 2024.

The Investor Update are also being disseminated on Company's website at www.csloffinance.in

This is for your kind information and records.

Thanking you,

Yours Faithfully,

For **CSL Finance Limited**

Rohit Gupta
Managing Director
(DIN: 00045077)

Encl: a/a



Q1FY25

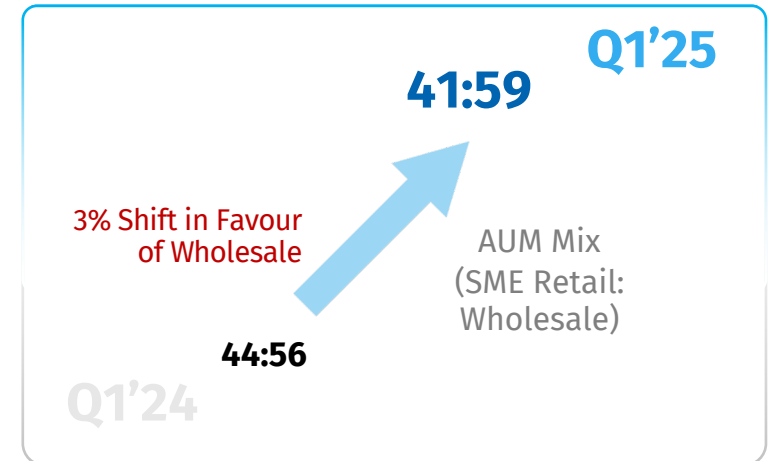
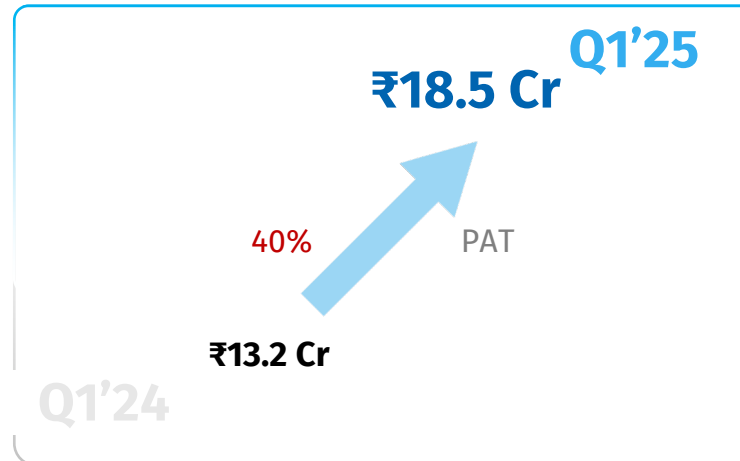
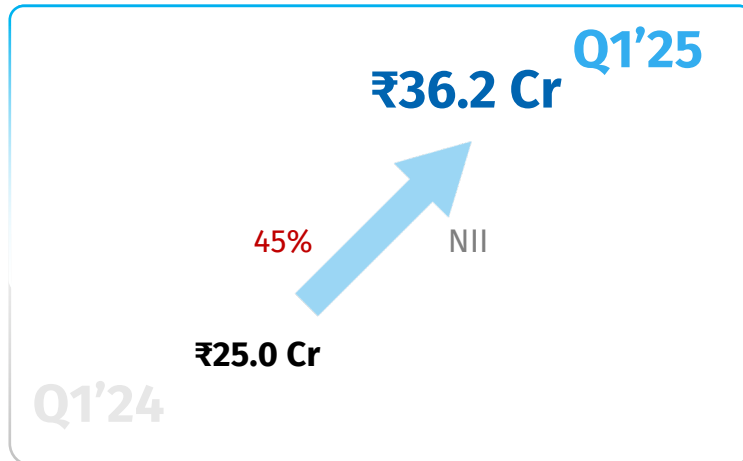
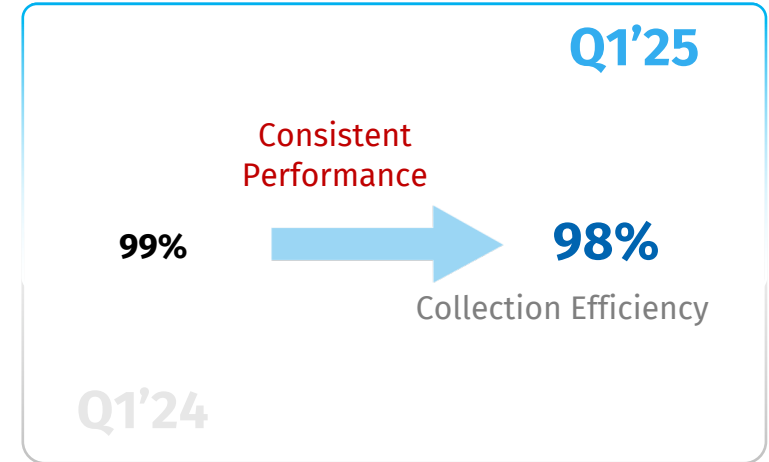
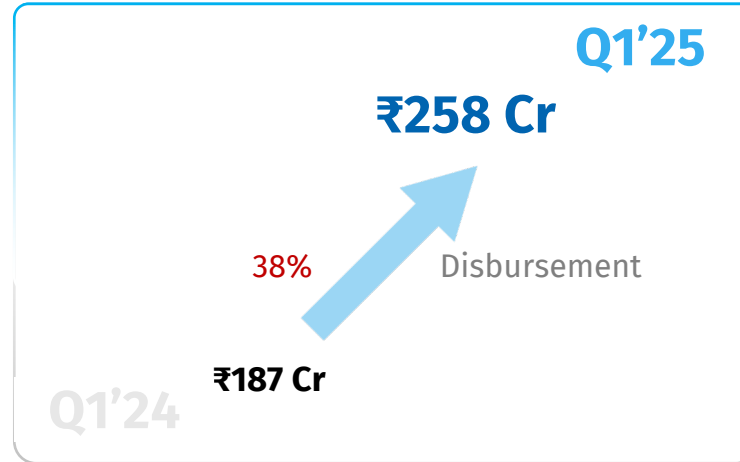
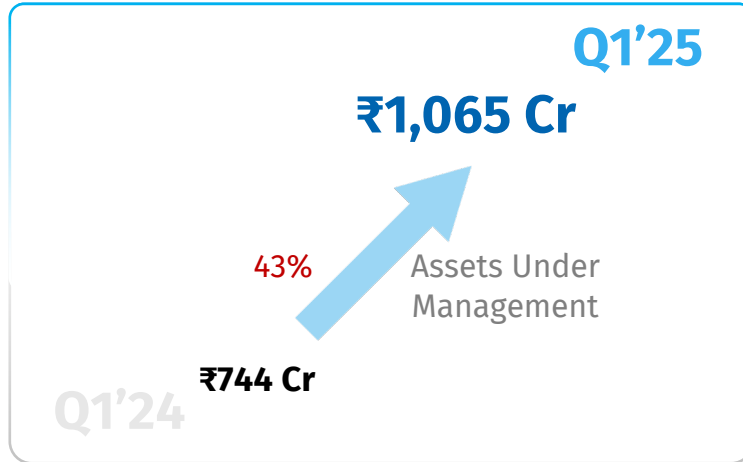
Investor Presentation

Quarterly Business Update

- ➔ Loan Book Size
- ➔ Asset Quality
- ➔ Asset Quality: Stage Analysis
- ➔ P&L Highlights
- ➔ Treasury Update
- ➔ Quarterly Financial Snapshot
- ➔ Operational Updates
- ➔ Lending Partners



Business Growth YoY

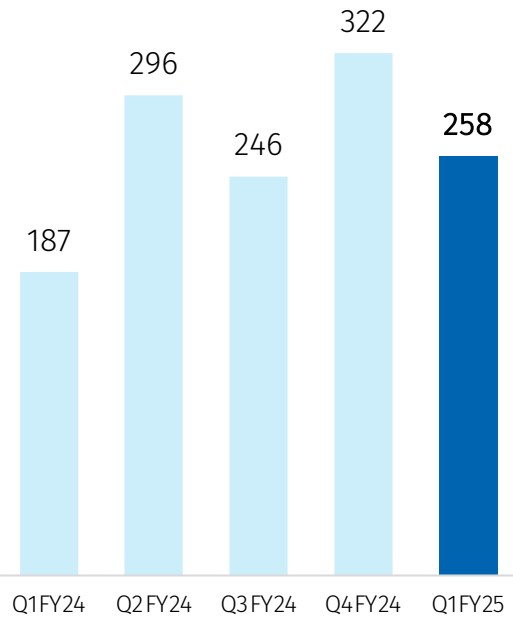


Note: AUM for Q1FY25 includes off-book AUM of ₹ 59 crore.

Loan Book Size

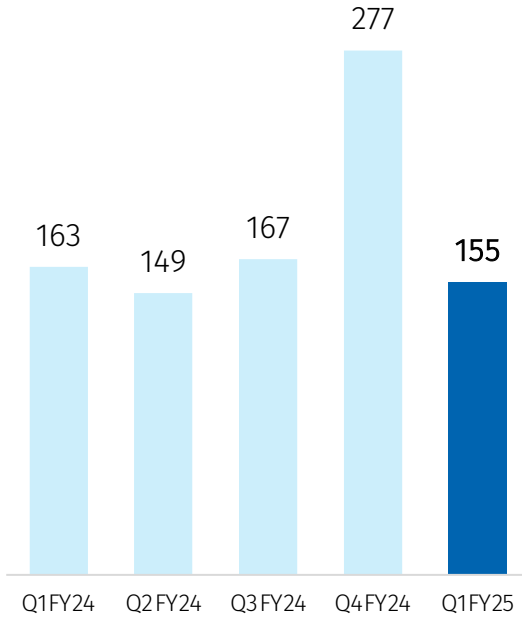
DISBURSEMENTS

(₹ crore) **38%** **-20%**
YOY Change QOQ Change



COLLECTIONS

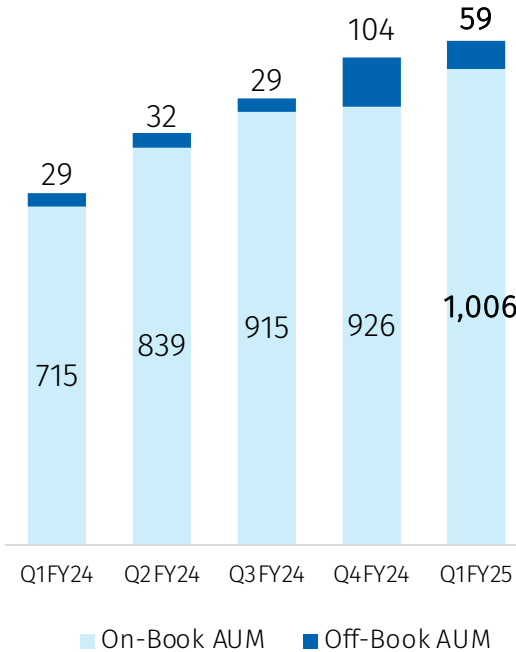
(₹ crore) **-5%** **-44%**
YOY Change QOQ Change



Note: Collections down due to lumpiness of Wholesale book

LOAN BOOK

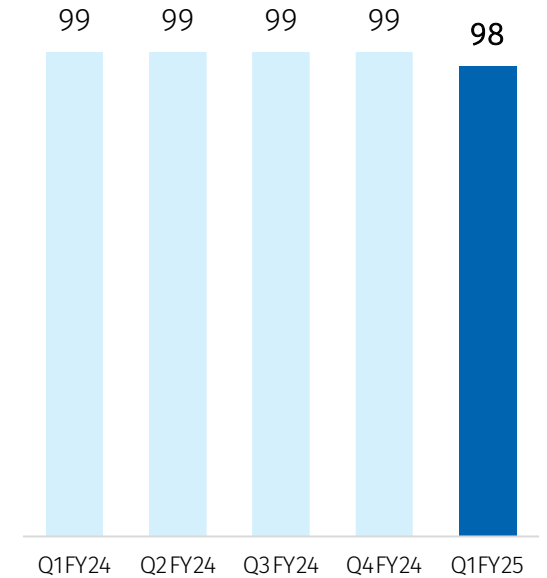
(₹ crore) **43%** **3%**
YOY Change QOQ Change



Note: Off-book AUM down on account of lumpiness in Wholesale book
Note: YOY & QOQ change for Total AUM

COLLECTION EFFICIENCY

(%)

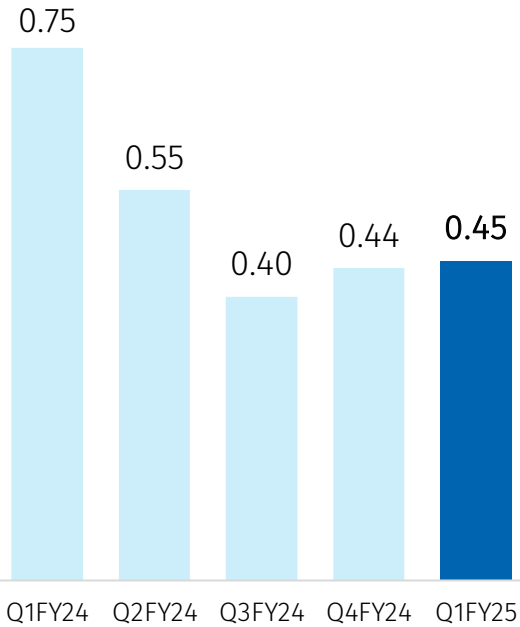


Asset Quality

GROSS NPA

(%)

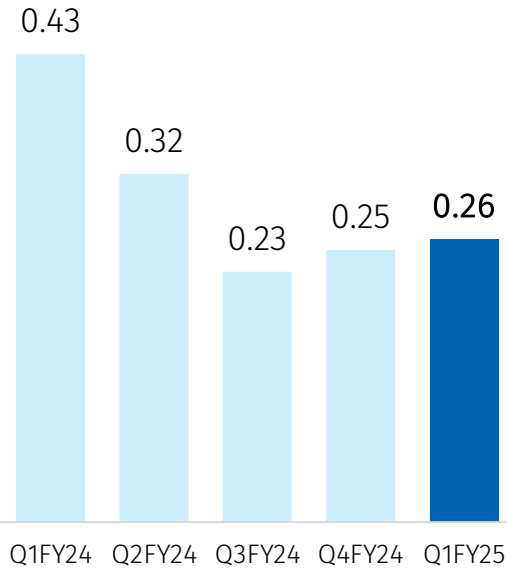
-30 BPS **1 BPS**
YOY Change QOQ Change



NET NPA

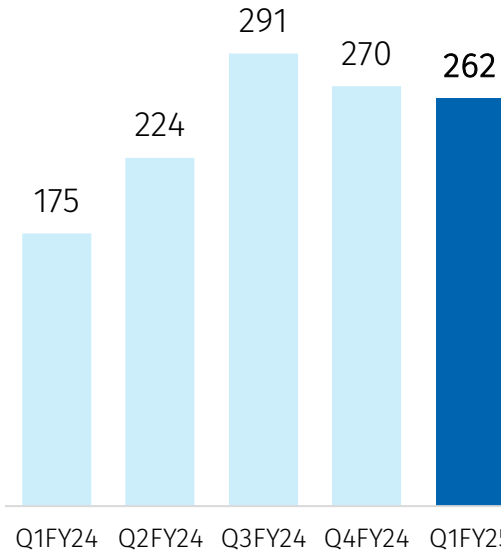
(%)

-17 BPS **1 BPS**
YOY Change QOQ Change



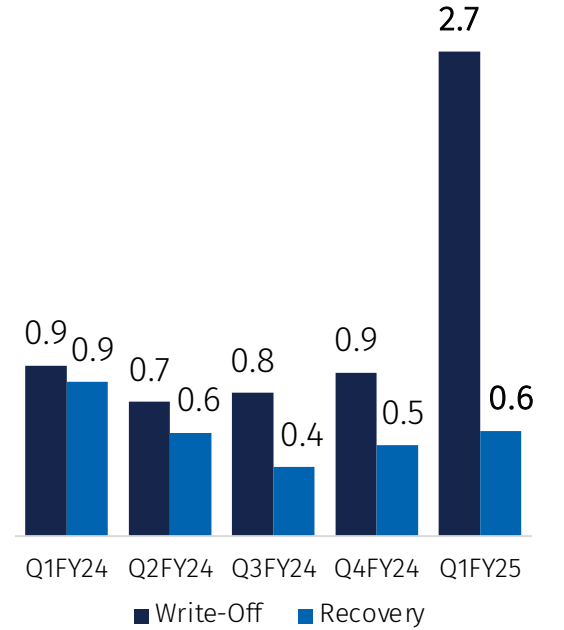
PROVISION COVERAGE RATIO

(%)



WRITE-OFFS & RECOVERIES

(₹ crore)



Note: Higher write-offs on account of a) Pre-July 2021 NPAs in SME Retail book written-off completely, b) Write-offs in Suvidha loan book

Asset Quality: Stage Analysis

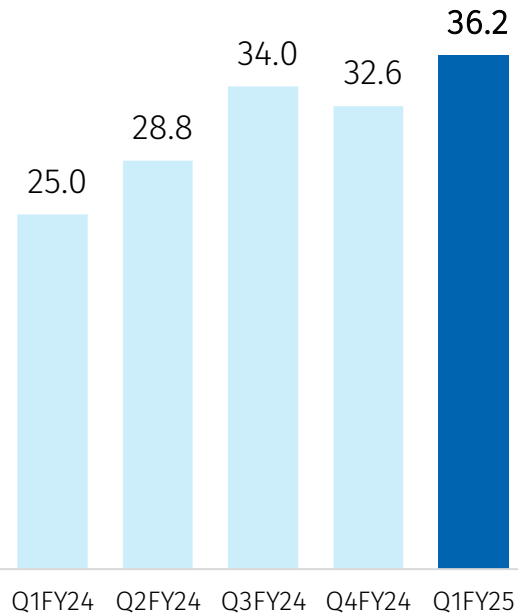
CLASSIFICATION OF ASSETS BASIS THE ECL COMPUTATION AS PER IND-AS:

PARTICULARS	Q1FY24	Q4FY24	Q1FY25
Gross Stage 3 (GNPA)	5.34	4.06	4.55
% portfolio in Stage 3	0.75%	0.44%	0.45%
ECL provision Stage 3	2.26	1.75	1.97
Net Stage 3	3.07	2.31	2.58
ECL Provision % Stage 3	42.44%	43.11%	43.34%
Gross Stage 1 & 2	707.44	916.64	998.47
% portfolio in Stage 1 & 2	99.25%	99.56%	99.55%
ECL provision Stage 1 & 2	7.09	9.20	9.94
Net Stage 1& 2	700.35	906.94	988.53
ECL provision % Stage 1 & 2	1.00%	1.00%	1.00%
Total Assets	712.78	920.21	1,003.01
% portfolio	100%	100%	100%
ECL Provision	9.36	10.96	11.91
Net Stage	703.42	909.25	991.11
TOTAL ECL Provision %	1.31%	1.19%	1.19%
Provision Coverage Ratio	175.32%	269.57%	261.94%
NET NPA (Only Stage 3 Provision)	0.43%	0.25%	0.26%

P&L Highlights

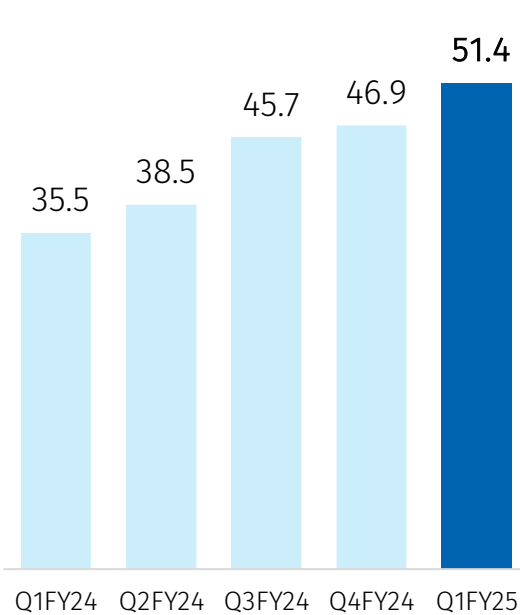
NET INTEREST INCOME

(₹ crore) **45%** **11%**
YOY Change QOQ Change



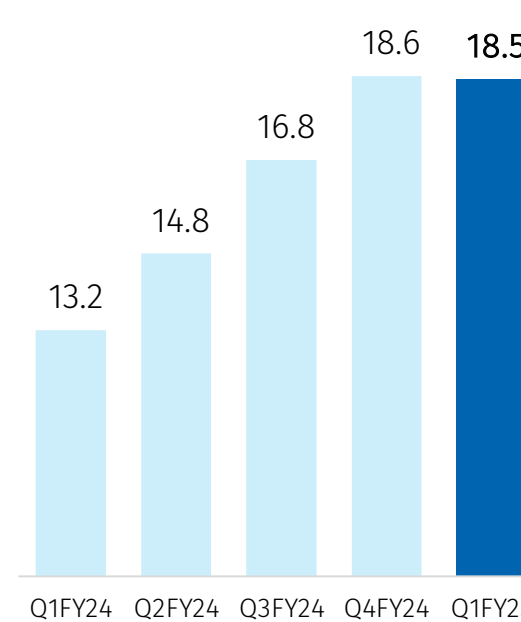
TOTAL INCOME

(₹ crore) **45%** **10%**
YOY Change QOQ Change



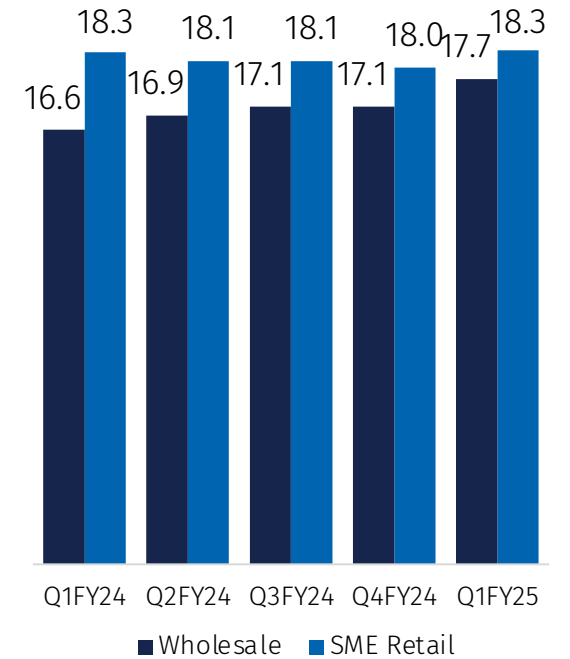
PROFIT AFTER TAX

(₹ crore) **40%** **0%**
YOY Change QOQ Change



YIELDS

(%)

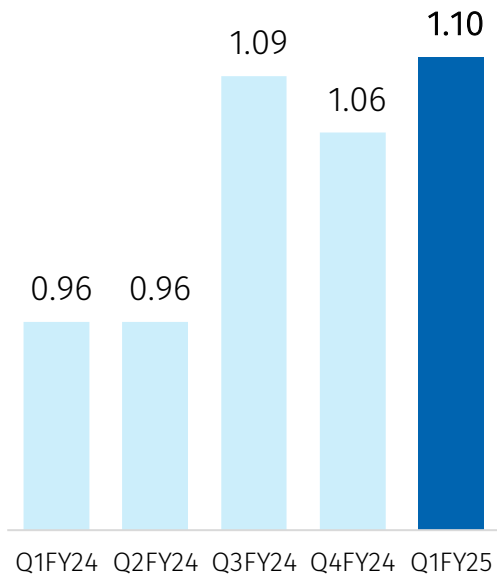


Note: Net Interest Income (NII) = Interest Income + Fees & Commission Income - Finance Costs

Treasury Update

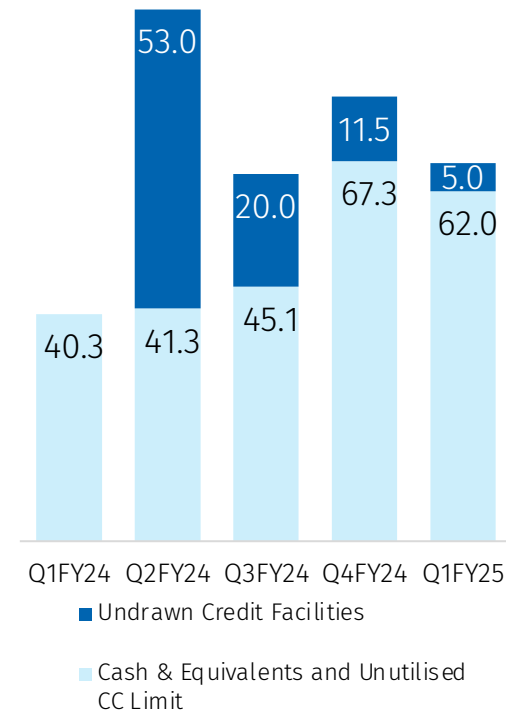
LEVERAGE

(Time)

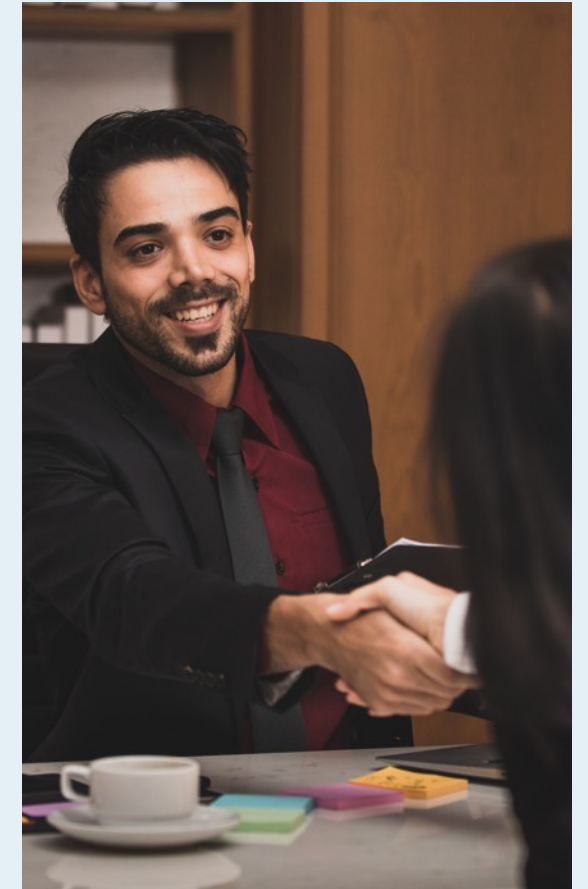


LIQUIDITY

(₹ crore)



- ① The Company has adequate liquidity of ₹ 62.0 crore & ₹ 5.0 crore as Undrawn Credit Facilities as on 30th June 2024. The Company has received total sanctions of ₹ 136.5 crore in Q1FY25.
- ② The Company has positive ALM across the buckets
- ③ Credit Rating for the Company has been upgraded to A- | Stable from Acuite Ratings Research from erstwhile BBB+ | Stable from India Ratings & Research in Q4FY24
- ④ The Leverage Ratio is at a comfortable 1.10x as on 30th June 2024 with total outstanding borrowings of ₹ 542.88 crore



Quarterly Financial Snapshot

(₹ crore)

PARTICULARS	Q1FY24	Q4FY24	Q1FY25
Disbursements	187.07	321.71	258.34
Revenue	35.49	46.92	51.36
Interest Income	31.26	49.06	46.78
PBT	18.18	23.39	24.68
PAT	13.24	18.57	18.51
Bad debts written off	0.94	0.93	2.67
Bad debts recovered	0.85	0.53	0.58
Loans and Advances (before ECL provision)	714.70	920.21	1,003.01
Net Worth	377.06	472.92	493.56
Total Liabilities	371.53	510.51	549.57
Borrowings	361.15	503.22	542.88
Gross NPA (%)	0.75%	0.44%	0.45%
Net NPA (%)	0.43%	0.25%	0.26%
Debt to Equity Ratio	0.96	1.06	1.10
CAR	52.76%	51.30%	49.68%
ROA	6.94%	7.61%	7.30%
ROE	14.05%	15.96%	15.06%
Book Value per share	185.24	207.58	216.64

Operational Updates

LOAN BOOK

- Q1 tends to be seasonally the weakest quarter. This year, a few additional factors have contributed to muted performance.
- SME Retail disbursements were weak due to extreme weather conditions – a severe heatwave impacting new business as well as collections to an extent, thus also impacting collection efficiency of this vertical in Q1.
- There were some abnormal cancellations and foreclosures in the SME book during Q1, which impacted the Loan Book growth under SME Retail vertical in Q1. This is an aberration and is expected to resolve in the coming quarter.
- Additionally, as per the latest RBI policy, disbursements now have to be booked on the date the funds are credited to the borrower's account, as compared to the issue date on the cheque/sanction of the loan.
- The industry took time to adjust to the new norm in Q1, and there were some cancellations as well after cheque handovers. This will normalize by Q2 as we adjust to the new norms.
- AUM has registered 43% growth YOY and a marginal 3% growth QOQ, reaching ₹1,065 Cr. The loan book has reached ₹1,006 Cr as of FY24. Off-book AUM saw some closures on the Wholesale front.
- Collections have been lower due to the lumpiness in Wholesale book.
- The SME Retail: Wholesale mix stands at 41:59 in Q1FY24, with a shift in favour of Wholesale this quarter due to an overall slow quarter in SME Retail. This will normalize over the course of the current FY, and the AUM mix should move in favour of SME Retail again.
- The wholesale deal pipeline is good, and performance remains robust.
- Collection efficiency of SME Retail was slightly lower in Q1, because of above stated reasons, and should normalise in coming quarters.

PROVISIONING

- CSL Finance is prudently provisioning a flat 1% of its loan book as opposed to 0.4%, which is the regulatory requirement.
- The Company is following a conservative accounting policy and has a PCR of 262%.

NET INTEREST INCOME & PROFITABILITY

- Total income has witnessed a 45% growth YOY and a 10% growth QOQ. NII has witnessed a 45% growth YOY and a 11% growth QOQ.
- Profitability was flattish during the quarter, on account of higher write-offs in the Suvridha vertical and core SME Retail vertical, since the entire pre-July 2021 NPAs in SME Retail were written off as a prudent provisioning policy.
- There was some increase in Employee Benefit Expense as part of appraisals.
- Yields have remained robust in both verticals.

LENDING PARTNERS

- CSL Finance has added 3 new lending partners this quarter. The new lenders onboarded are all PSU banks as a result of the enhanced credit rating upgrade received last quarter.
- The new lenders include Canara Bank, Bank of Maharashtra, and South Indian Bank.
- Total sanctions received from lenders amounted to ₹136.5 Cr in Q1.
- Total lending partners at quarter-end are 26, up from 23 in the last quarter.

TEAM STRENGTH

- While the team has been rationalized in the Suvridha vertical, new team strength has been added for the 5 new branches launched in Q1.
- Thus, the net headcount addition is 6 people in Q1.

BRANCH FOOTPRINT EXPANSIONS

- New branch rollout is happening as per the plan; 5 new branches have been added in Q1, and more are in the pipeline for the coming quarters.
- Subject to market conditions, we are looking to double our branch count by the end of FY26.

DEVELOPING A FEE BASED INCOME

- The Company is working towards growing its off-book AUM, in both Wholesale and SME Retail, through Direct Assignment (DA) and Co-Lending structures to generate a sustainable fee-based income.
- Now, the company is also exploring the Business Correspondent (BC) model with larger NBFCs and banks to augment off-book AUM.
- During Q1, off-book AUM witnessed a decrease on account of closure of some Wholesale accounts.
- However, the deal pipeline for off-book AUM is good, with discussions with many large financial institutions under different models.
- Off-book AUM and subsequently fee-based income are expected to increase in the current year.

OUTLOOK

- Outlook for the Company remains robust, with an AUM aspiration of 1,350-1,450 Cr by end of FY25, subject to conducive macro environment (fund-raise & general)
- AUM-mix target of 55:45 SME Retail: Wholesale.

New Product Updates: Suvidha Loans

Overview

Company has undertaken the pilot launch of a new product i.e. Suvidha Loans: an inventory financing product for the steel fabricators of APL Apollo - India's largest structural steel tube company under an exclusive agreement.

SUVIDHA BOOK AS OF Q1FY25

ACTIVE ACCOUNTS
(#)

603

LOAN BOOK OUTSTANDING
(₹ Crore)

2.7

Status of Pilot 1.0

- The existing book is being completely run down
- The team is either collecting dues or writing off accounts that are 90 days past due (DPD)
- The existing book is expected to be fully run down by Q2
- As previously communicated, fresh disbursements were halted in Q1 and Q2.
- However, collections from written-off accounts will continue over the next 12 months.

Learnings of Pilot 1.0

- There is a need for a fully automated and system-driven LMS
- Credit parameters need to be strengthened
- The product requires a higher credit cost/Internal Rate of Return (IRR), now targeting 24-25% IRR
- Increased vigilance and monitoring are necessary for both customers and channel partners
- The usage of funds by borrowers need to be aligned with the objectives of the product

Pilot 2.0

- A new platform for the Suvidha product is ready
- The launch of Pilot 2.0 is expected towards the end of August, on a limited scale in only two geographical clusters
- The objective is to thoroughly vet the products and systems rather than to generate high volumes
- Learnings from Pilot 1.0 will be incorporated
- Scaling up in this segment will depend on the results of Pilot 2.0

Lending Partners

Banks & SFBs



NBFC



5Y Financial Snapshot

(₹ crore)

PARTICULARS	FY20	FY21	FY22	FY23	FY24
Disbursements	270.10	433.32	491.10	758.72	1,052.04
Revenue	60.85	61.67	74.62	117.54	166.58
Interest Income	58.42	59.18	67.66	108.54	153.72
PBT	31.74	39.36	44.98	61.47	85.60
PAT	22.47	27.53	33.68	45.52	63.36
Bad debts written off	0.26	3.88	1.45	0.94	3.40
Bad debts recovered	0.15	0.10	2.33	2.42	2.34
Loans and Advances	310.96	329.55	516.95	735.61	920.21
Net Worth	232.55	259.20	321.68	362.40	472.92
Total Liabilities	99.92	88.33	210.68	416.25	510.51
Borrowings	95.92	82.60	204.16	408.06	503.22
Gross NPA	0.69%	2.11%	1.73%	0.61%	0.44%
Net NPA	0.24%	1.19%	0.96%	0.35%	0.25%
Debt to Equity Ratio	0.41	0.32	0.63	1.13	1.06
CAR	73.16%	81.50%	63.82%	49.88%	51.30%
ROA	6.76%	7.92%	8.45%	6.94%	7.18%
ROE	9.66%	11.20%	12.48%	12.56%	13.33%
Book Value per share	125.65	140.05	155.06	174.79	207.58

About CSL Finance

- ➔ Introduction & Snapshot
- ➔ Business Verticals & Products
- ➔ SME Retail
- ➔ Wholesale



Introduction

CSL Finance Limited is a Non-Banking Finance Company registered with the Reserve Bank of India and listed on the NSE and BSE.

The Company is a one-stop destination for Small and Medium-Sized Enterprises (SMEs) and real estate and non-real estate corporates to avail a variety of secured loan products. CSL's experienced and dynamic team aims to fulfil every entrepreneur's dreams by bridging the gap between their dreams and their financial needs to grow their business.



₹1,065 Crore
AUM

A- Stable
Credit Rating Upgraded

99%
Secured loan book

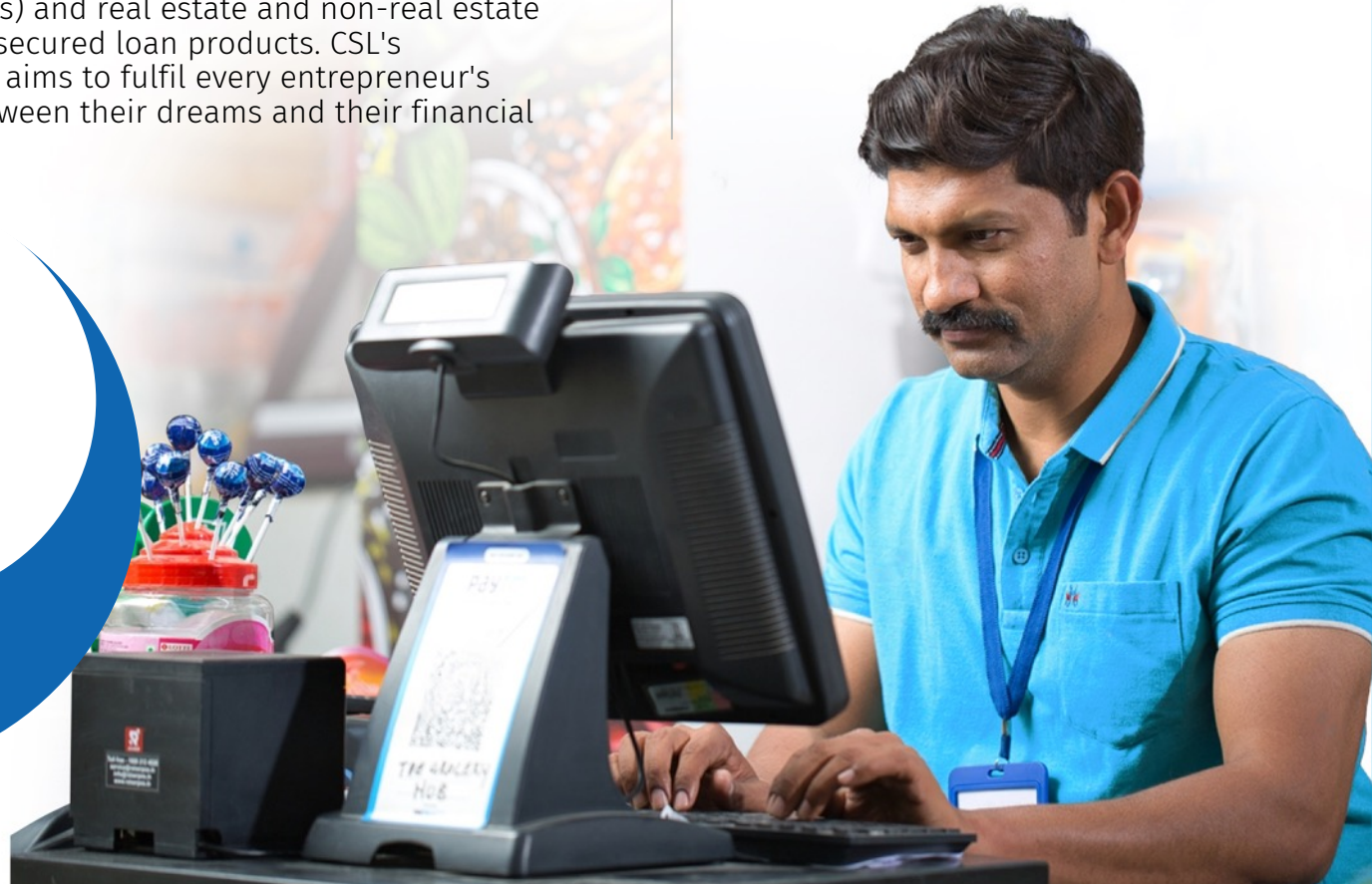
50%
Superior CAR

15%
ROE

₹494 Cr
Net Worth

427
Team Strength

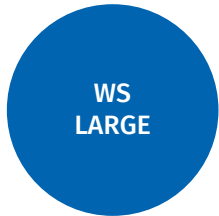
As of Q1FY25



Business Verticals & Products



Wholesale



WS
LARGE

Structured loans for Mid Income/ Affordable Group Housing Projects

₹377 crore
Loan Book

33
Active Accounts

₹17 crore
Average Ticket Size



WS
SMALL

Construction loan given against single plotted projects

₹169 crore
Loan Book

39
Active Accounts

₹7 crore
Average Ticket Size



WS
OTHER
TERM
LOAN

Loan against SORP/SOCP properties and Loan against securities & deposits which are highly liquid

₹55 crore
Loan Book

9
Active Accounts

₹8 crore
Average Ticket Size



SME Retail



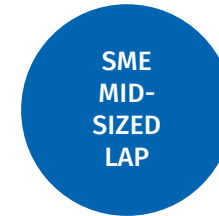
SME
RETAIL

Micro/Small Loans to Kirana Stores, Traders, Schools, and other boutique shops and merchants backed by owned properties as collateral, small ticket loans

₹347 crore
AUM

2,789
Active Accounts

₹13.7 lakh
Average Ticket Size



SME
MID-SIZED
LAP

Loan against properties for business expansion or working capital finance

₹86 crore
AUM

51
Active Accounts

₹2.2 crore
Average Ticket Size



SME Fabricator Loan



SME
FABRICATOR
LOAN

Purchase invoice based unsecured loan product, with quick disbursement within 24-48 hours and varied repayment types

₹3 crore
AUM

603
Active Accounts

<₹1 lakh
Average Ticket Size

SME RETAIL

BUSINESS VERTICAL

Target market:
Unbanked & underserved

Using alternative data instead of
conventional scorecards to underwrite loans

Swift loans and ease of application

Small & flexible ticket sizes

Focused on secured lending book (99%)

Quality collateral (85% is SORP & 9% is SOCP)

Promoting financial inclusion (63% AUM
from non-Urban locations)

Achieving efficiency through digital
transformation



SME Retail (1/6)

PRODUCTS



PRAGATI

Loan Amount

**₹2-5
Lakhs**

TENOR (In Years)

7

Target Customer

Providing loans primarily to women who lack access to traditional banking services; can help integrate them into the formal financial system and empower them economically.

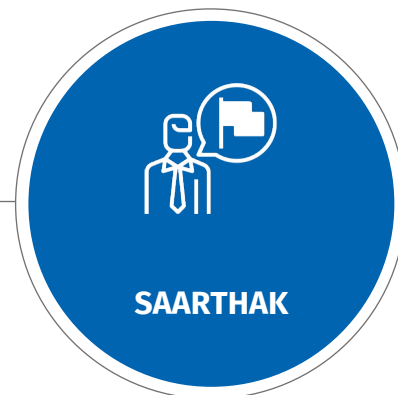


UNNATI

**₹5-10
Lakhs**

7

Provide working capital to small businesses to manage day-to-day expenses and seasonal cash flow gaps. Our loans offer the necessary financial support for growth, stability, and operational efficiency, fostering long-term success and contributing to broader economic development.

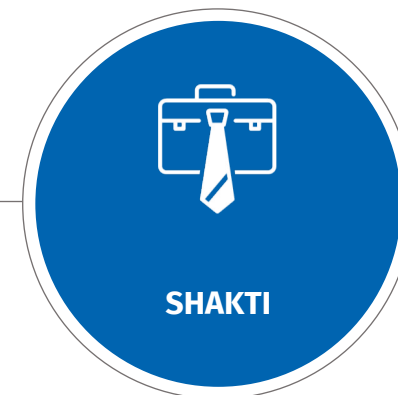


SAARTHAK

**₹5-10
Lakhs**

5-6

Salaried professionals who are unable to procure funds from banks because of non-availability in their area



SHAKTI

**₹7.5- 25
Lakhs**

7

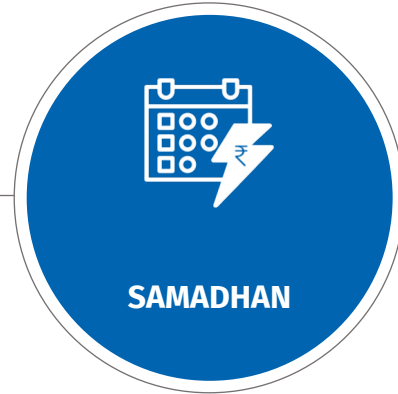
Small entrepreneur, traders, manufacturers etc, as a working capital loan to improve or multiply its business

SME Retail (2/6)

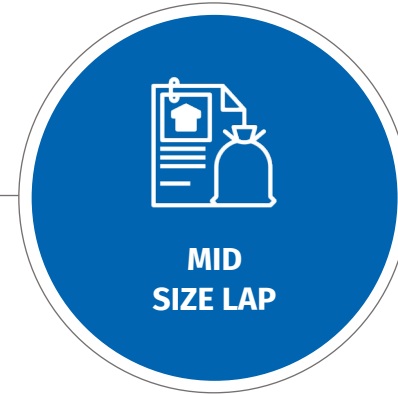
PRODUCTS



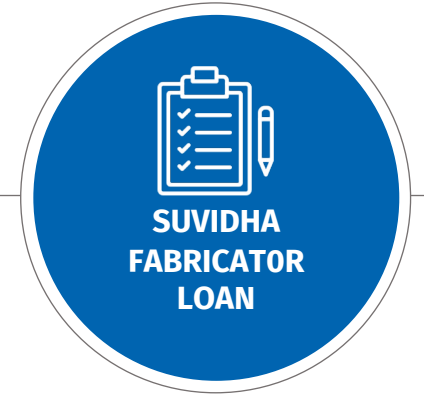
NIRMAN



SAMADHAN



**MID
SIZE LAP**



**SUVIDHA
FABRICATOR
LOAN**

Loan Amount

**₹35-50
Lakhs**

TENOR (In Years)

7

Target Customer

Balance Transfer of LAP along with top-up for semi-skilled or skilled self-employed, proprietorship or partnership firms for working capital purposes

**₹25-50
Lakhs**

7-8

Immediate working capital requirement to support client's urgent business needs at mid-level

**₹1-5
Crores**

2-3

Loan against properties for business expansion or working capital loans

**₹0.5-5
Lakhs**

45-90 Days

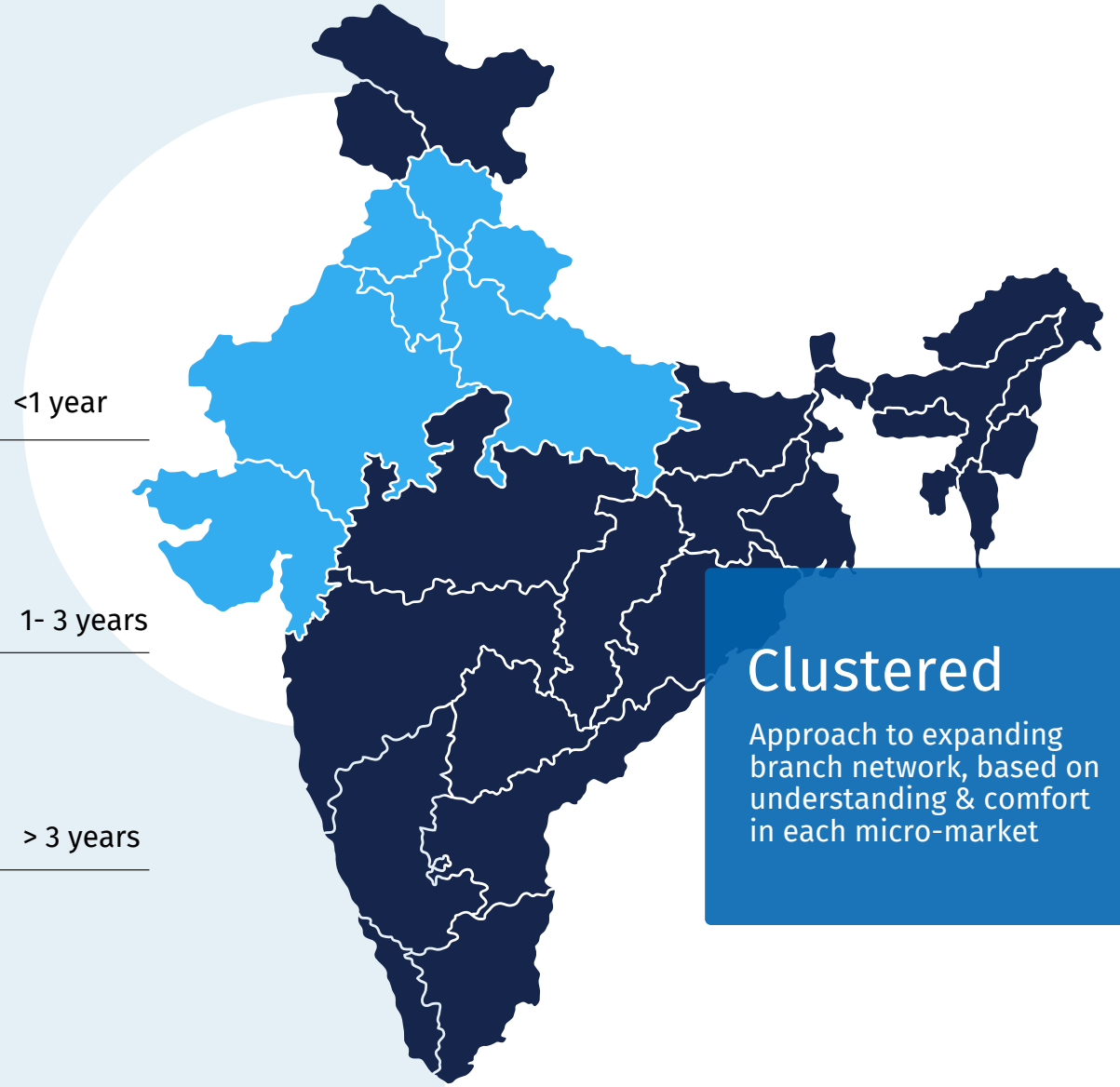
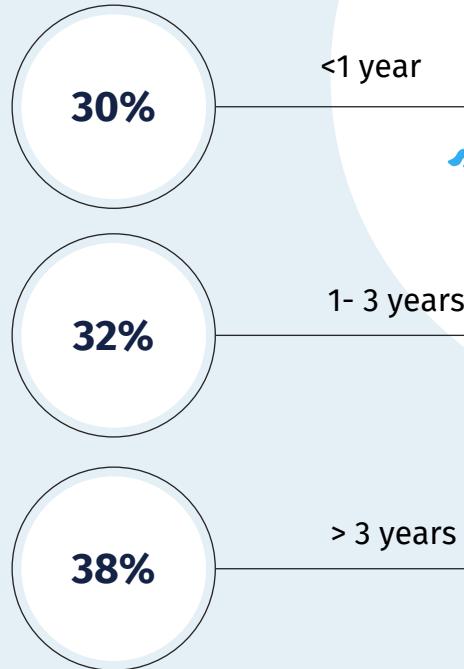
Purchase invoice based unsecured loan product, with quick disbursement within 24-48 hours and varied repayment types

SME Retail (3/6)

PRESENCE

● 31%	● 26%
11 Branches	8 Branches
Rajasthan	Gujarat
● 12%	● 12%
3 Branches	5 Branches
Punjab	Haryana
● 2%	● 7%
1 Branch	2 Branches
New Delhi	Uttarakhand
● 10%	34 Branches
4 Branches	Total Branch Network
Uttar Pradesh	

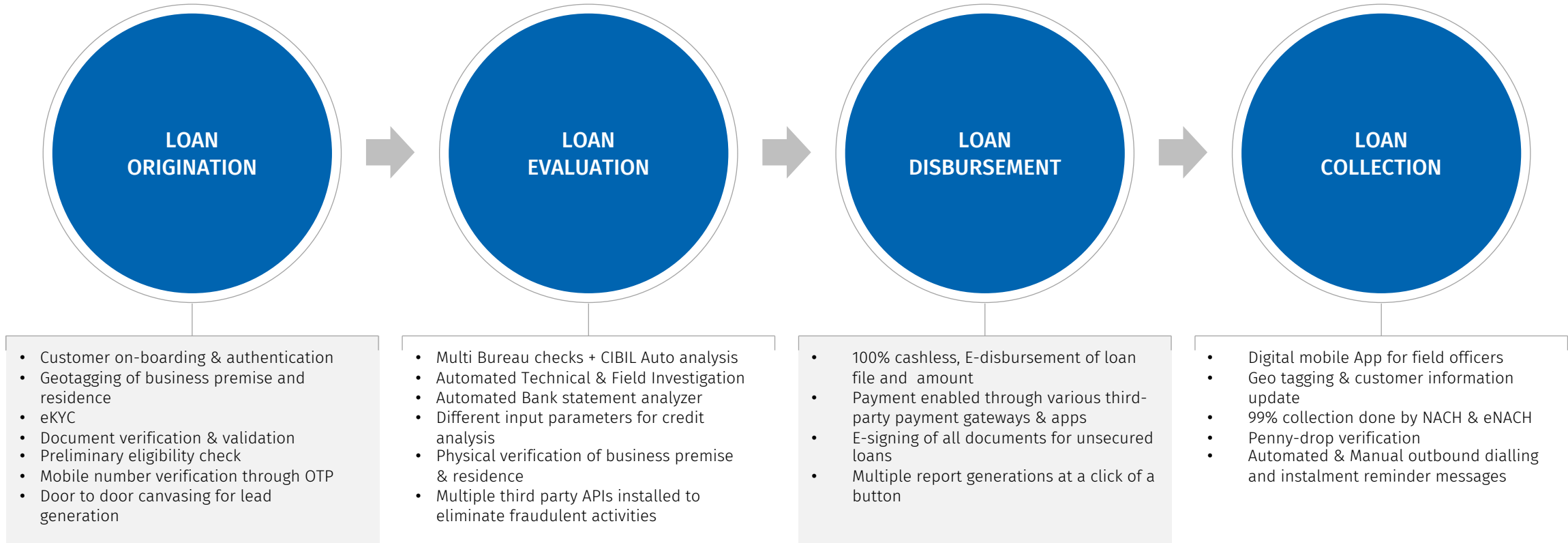
BRANCH AGEING



Clustered
 Approach to expanding branch network, based on understanding & comfort in each micro-market

SME Retail (4/6)

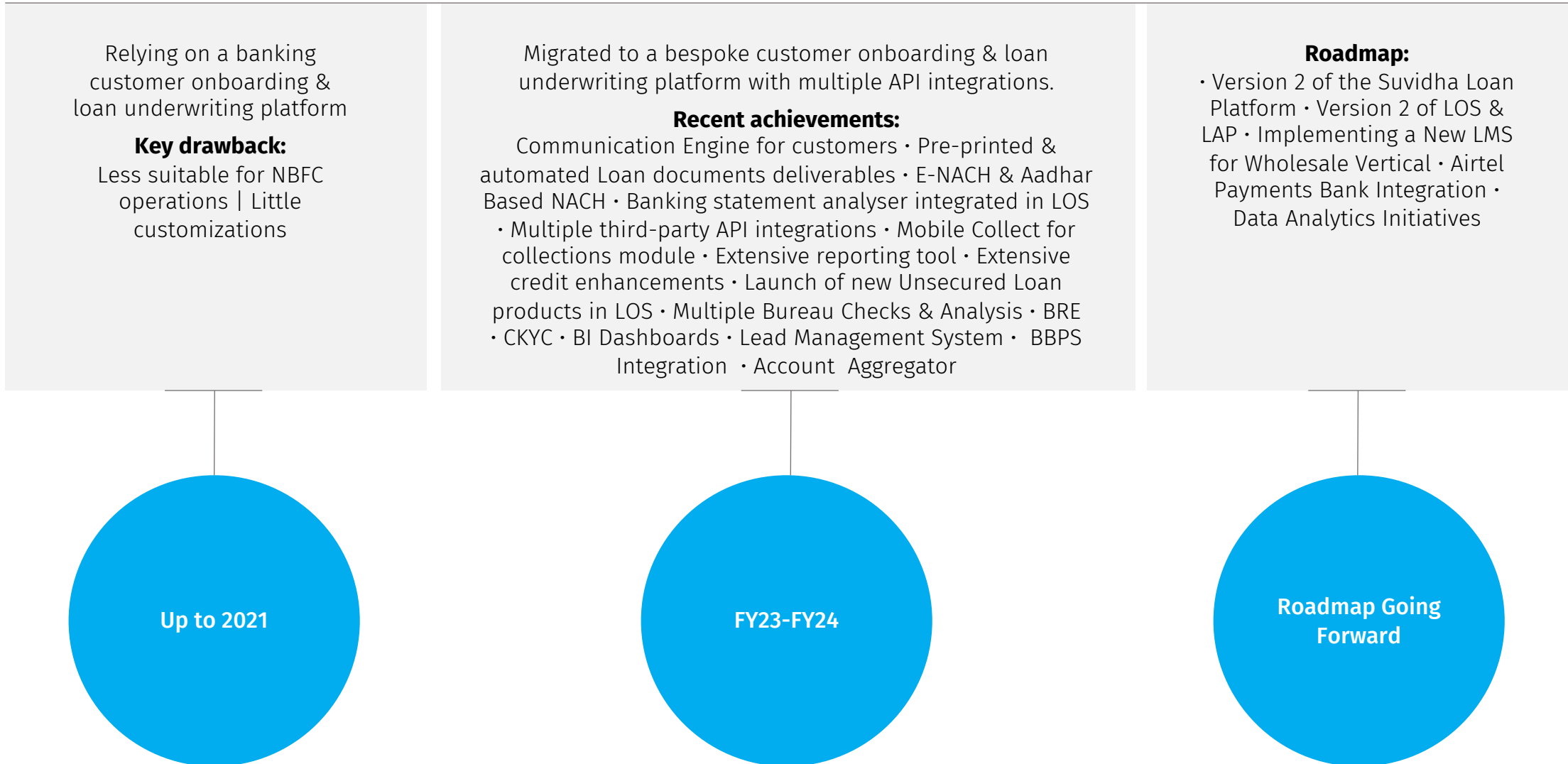
AUTOMATING WORKFLOW TO IMPROVE EFFICIENCY



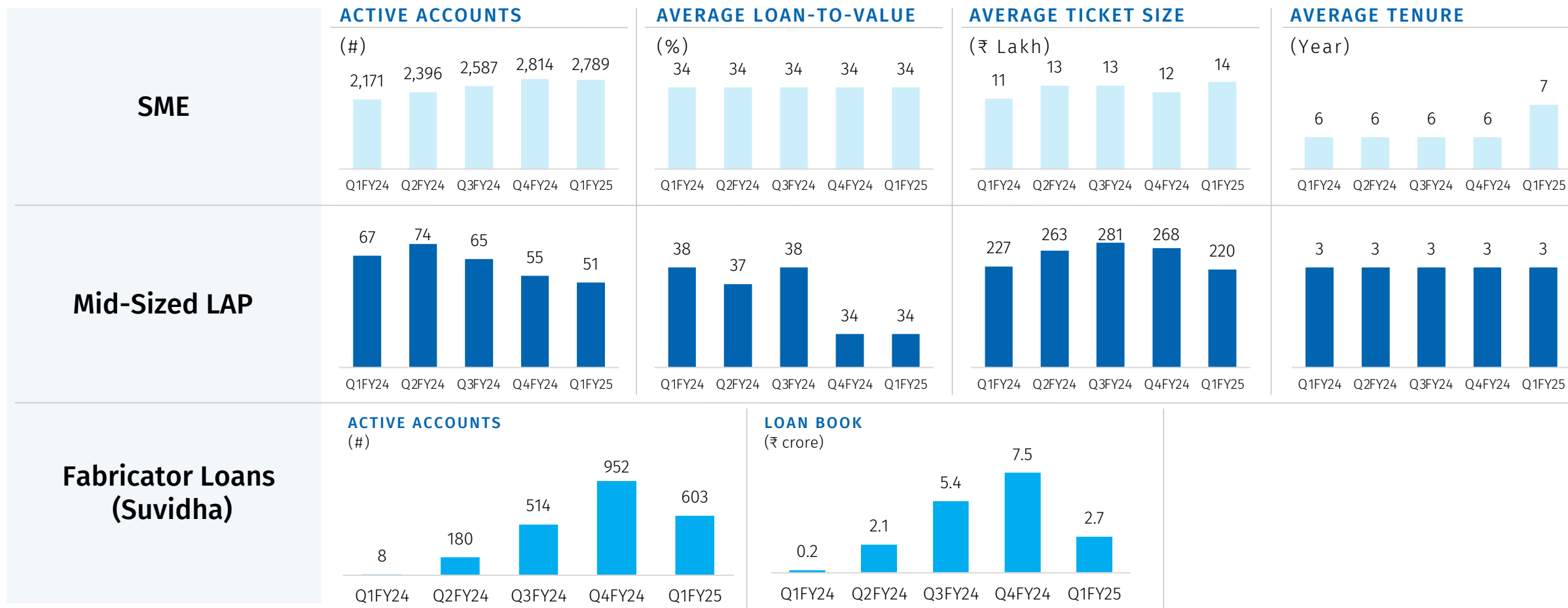
OTHER INITIATIVES

- Continuous enhancements in credit decisioning module
- Extensive efforts on Training & Development for the adaptability of this new technology
- Implementing BRE for automating deviations as per policies

SME Retail (5/6)



SME Retail (6/6)



Note – From Q4FY22 onwards, the Company has reclassified Mid Sized LAP in SME Retail, from earlier Wholesale.

WHOLE-SALE

Niche, focused, real estate
wholesale book

Focused on secured lending
book (100% of the book)

Built on in-depth expertise of
NCR and all its micro-markets

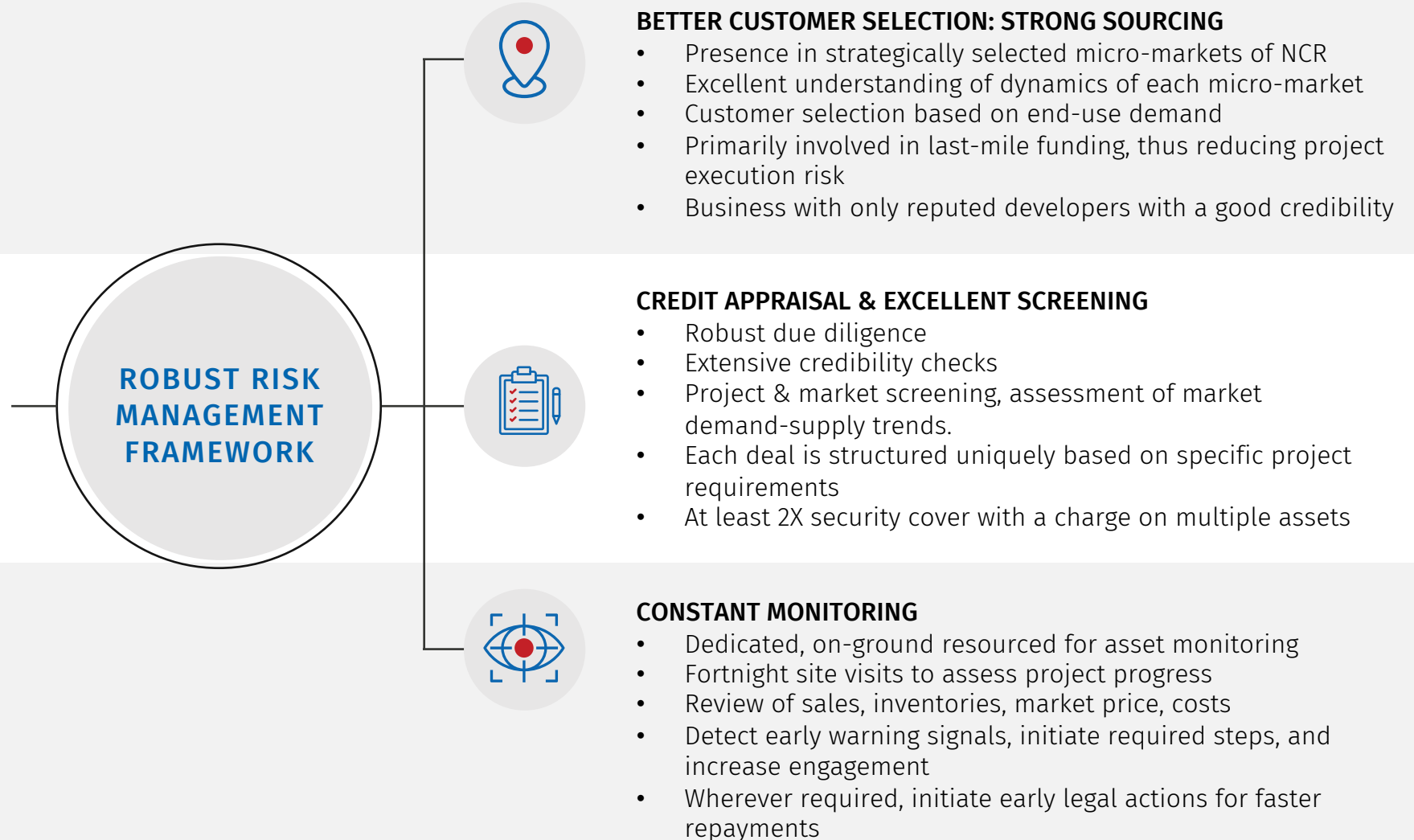
Strength in affordable
housing segment

Robust collection framework
via escrow accounts

BUSINESS VERTICAL



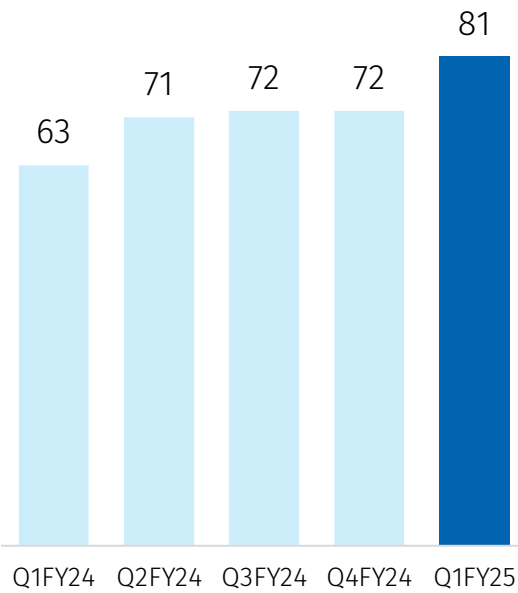
Wholesale (1/2)



Wholesale (2/2)

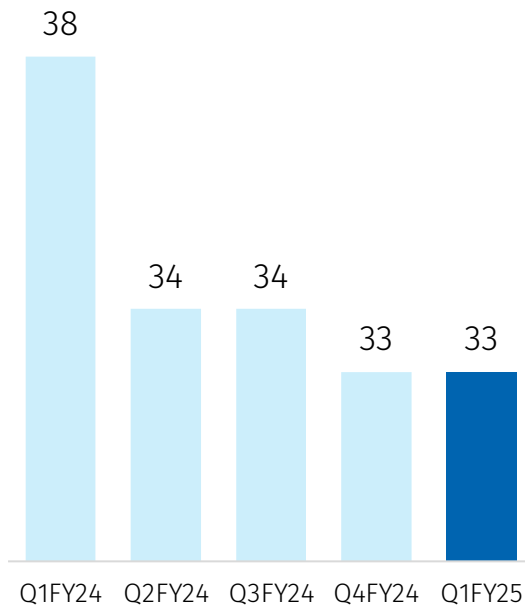
ACTIVE ACCOUNTS

(#)



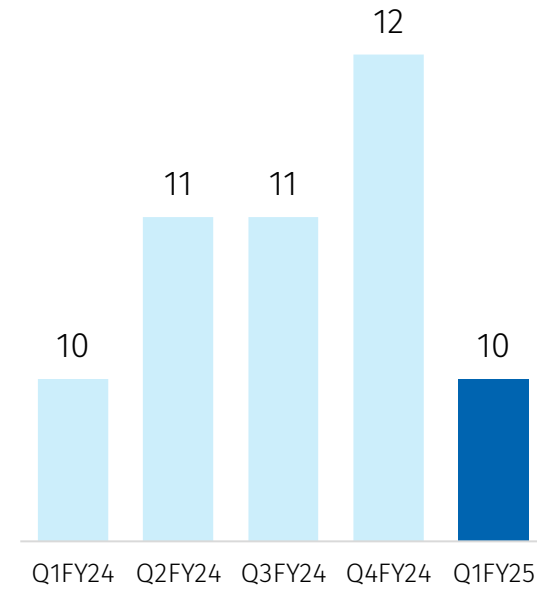
AVERAGE LOAN-TO-VALUE

(%)



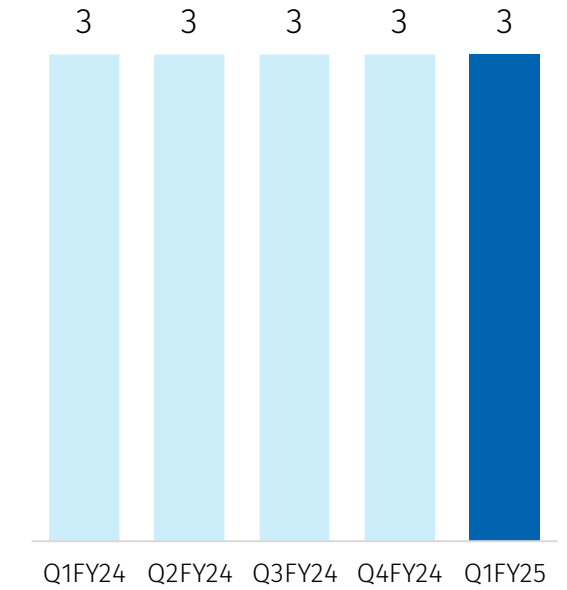
AVERAGE TICKET SIZE

(₹ crore)



AVERAGE TENURE

(Year)

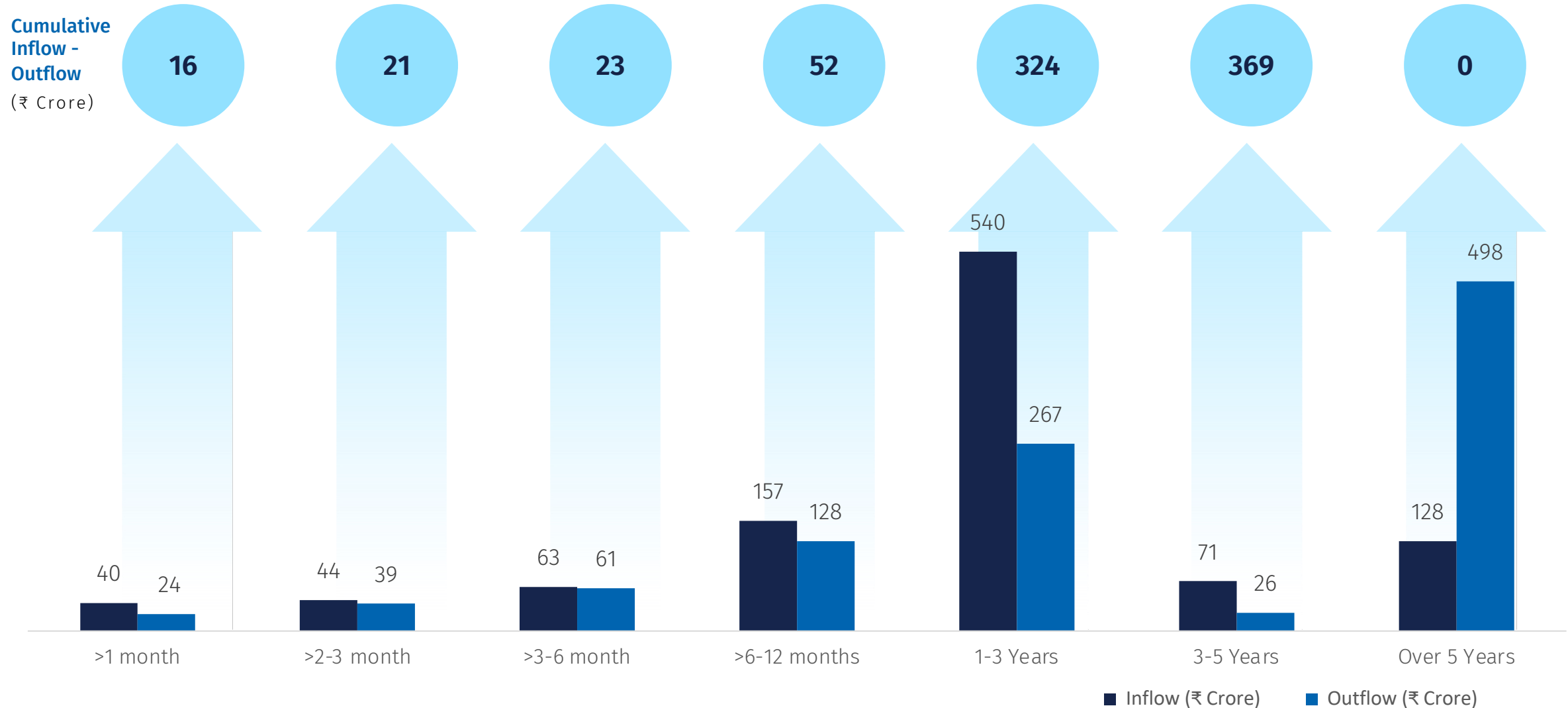


Prudent Risk Management

- ➔ Well Managed ALM
- ➔ Conservative Leverage Standards

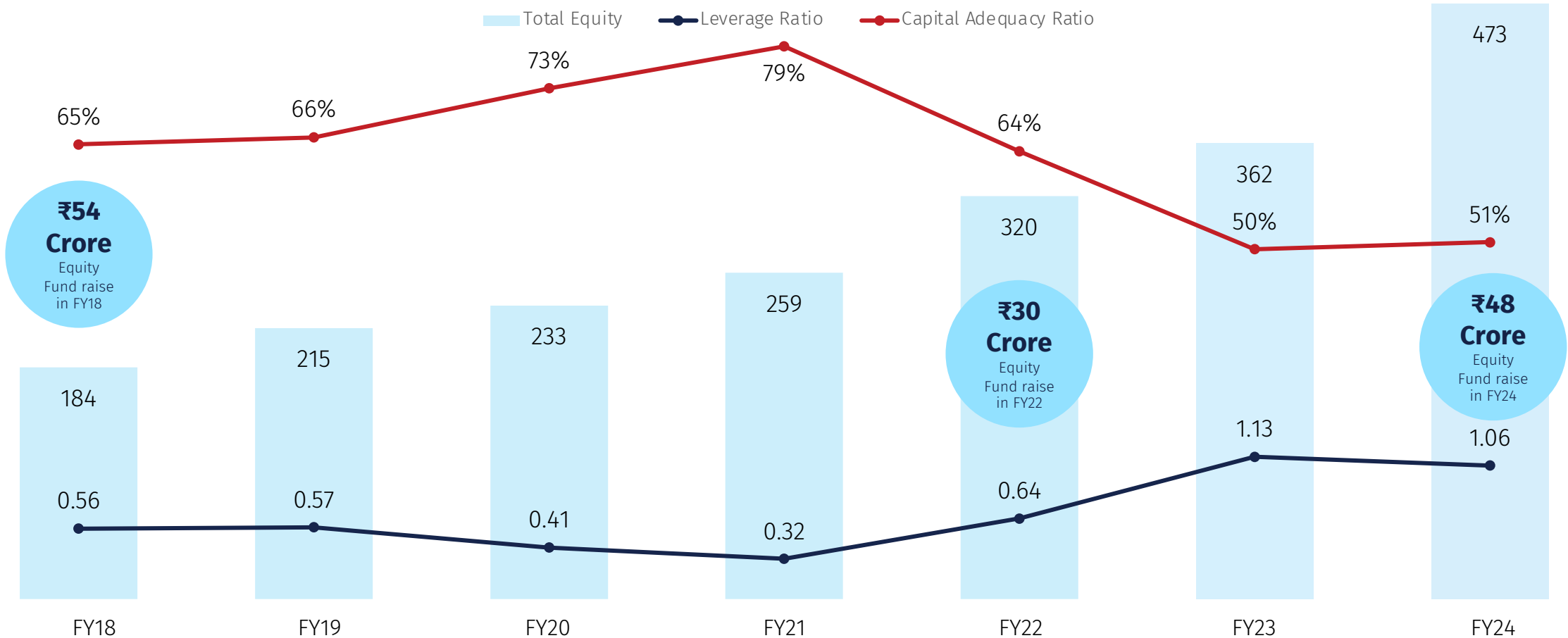


Well Managed ALM



Conservative Leverage Standards

CONSERVATIVE LEVERAGE THRESHOLD
1.5-2X in Wholesale & <4X in SME Retail



Leadership

➔ Board of Directors

➔ Leadership Team



Board of Directors

Rohit Gupta
Managing
Director



Mr Rohit Gupta has over nearly 3 decades of experience in merchant banking, corporate finance, financial restructuring, project finance, capital markets and structured lending. He has advised several small/mid-size organizations to develop and execute turnaround and growth strategies and helped them raise equity and debt through various instruments to fuel their growth. He is passionate about innovative and structured lending models and is the prime driving force behind the structured lending model of the Company. In addition, he has steered the Company to certain niche market segments and has envisioned Company's foray into SME lending. He is a qualified Chartered Accountant.

Rachita Gupta
Whole-time
Director



Ms Rachita is a commerce graduate and has done her Masters of Business Finance from Warwick Business School, UK. She started her career with EY and has experience in Analytics, Data Management, Digital Marketing & Corporate Branding. She played a vital role in the rollout of the Retail lending segment of the company. In addition, she has been a critical person in driving the various MIS reports and setting up the Marketing and CSR dept of CSL.

Ashok Kathuria
Director



Mr Kathuria has been associated with the Company since its inception. He has served the Company as a Director since 2005 and has experience managing back-end operations, documents processing, liasoning and administration across various projects and assignments. He has handled various assignments single-handedly and led his work in a way that is highly appreciable.

Parmod Bindal
Independent
Director



Mr Parmod Bindal has been a Chartered Accountant in practice for the last 32 years. He has vast experience in the fields of Bank Audits, Income Tax and Indirect Taxes, including GST, Statutory Audit, Internal Audit, Tax Audit, Companies Act, Stock Audit, etcetera. He has also served as the Independent Director of the Steel Authority of India from 2015 to 2019.

Subhash Chand Kwatra
Independent Director



Mr Chander Subhash Kwatra has done his MBA with specialization in Finance from IGNOU, New Delhi. He is a Post Graduate of Mathematical Statistics from Delhi University and is a certified Associate of the Indian Institute of Bankers (CAIIB). He has a rich and vast experience of over 35 years in the banking industry. He joined Punjab and Sind Bank as a probationary officer in 1983 and retired as the Bank's Chief Financial Officer in 2018.

Ayush Mittal
Independent
Director



Mr Mittal manages the day-to-day operations of various professional advisory firms. Having spent more than five years in capital and forex markets, he is actively involved in algorithmic software trading of forex in Singapore and other countries. He also has experience in taxation, corporate litigation and corporate restructuring. He is a qualified Chartered Accountant.

Management Team

● Work Experience ● Years at CSL

Rohit Gupta
Managing Director



29+ 19+

Rachita Gupta
Whole-time Director



9+ 8+

Ex – Ernst & Young

Amit Ranjan
Chief Operating Officer



20+ 4+

Ex – Karvy Financials, Save Financial Services, HSBC Bank, ICICI Bank, Deutsche Bank

Naresh Varshney
Chief Financial Officer



36+ 13+

Ex – RR Finance Consultants, Centrum Capital & Unicorn

Amit Kaul
President – IT



33+

Ex – SBI Global Factors, IFCI Factors, Bibby Financial Services

Atul Agrawal
President – Finance & Treasury



21+

Ex - Paisalo Digital, SMC Finance

Chandan Kumar
Wholesale Credit Head



17+ 6+

Ex – PNB Housing, HDFC, SIB

Prashant Kumar
ZCM SME



18+

Ex – ICICI Bank, Axis Bank, DHFL

Neeraj Bhati
ZCM SME



15+

Ex - Edelweiss Housing Finance, Indusind Bank, RBL Finserve and Muthoot Finance

Nikhil Singh
VP Business Operations & Business Analytics



19+ 3+

Ex - ICICI Bank, HDFC Bank, Ziploan, Eduvanz and Save Financial Services

S.B. Tiwari
Chief Manager Accounts



26+ 21+

Shalini Aggarwal
VP Finance



9+ 5+

Saurabh Priyadarshini
Head Legal



11+ 3+

Hariom Kumar
AVP HR



18+ 6+

Ex – Ujjivan Financial Services

Preeti Gupta
Company Secretary



9+ 3+

Strategy

➔ Strategic Priorities

➔ Key Takeaways



Strategic Priorities

Rationalisation of portfolio

- The Company aims to rationalise its portfolio in favour of SME Retail vertical, to de-risk itself from being present in only one business vertical, achieve more granularity in the loan book, and have better access to funds.
- SME Retail: Wholesale portfolio has already reached 44:56 in FY24. It is expected to move further in favour of SME Retail.
- Going forward SME Retail vertical will remain the key growth driver for the Company.

Optimising branch performance

- The Company is working towards growing its SME Retail loan book, and AUM per branch, AUM per employee, to achieve better branch-level profitability.
- Branch reorganisation & new openings are happening in a clustered manner to achieve better results.
- Company is planning new branch on strategic geographies within its existing clusters.
- Locations strategically placed on Mumbai-Delhi Expressway, Delhi-Uttaranchal Belt, Delhi-Punjab GT Road Belt are expected to be bustling with economic activity. CSL plans to tapping these Tier-2 & Tier-3 locations with its branch expansion.
- Subject to market conditions, the Company aims to take total count to ~50 branches by end of FY25.

Leveraging technology to strengthen operations

- The Company is working towards strengthening its customer onboarding & loan origination through multiple API integrations
- Integration of various modules & functions is a continuous process
- At present, the Company is strengthening its data analytics capabilities through comprehensive & interactive dashboards for real-time data tracking
- Overall LAP is being revamped for the Wholesale segment
- Overall LOS is being revamped for the SME Retail segment
- Collections systems are being strengthened

Focusing on adding competencies

- CSL is working on adding another secured loan product under 5 lakh category with higher IRR potential
- The Company is working towards deploying a 2nd version for its Suvidha Loan product - a dedicated platform for its unsecured fabricator loans

Leveraging Credit rating upgrade

- Recently, Credit Rating for the Company has been upgraded to A- | Stable from Acuite Ratings Research from erstwhile BBB+ | Stable from India Ratings & Research
- The crucial A rating will help company access more capital at competitive terms, and thus aid AUM growth & profitability
- More PSU lenders are being onboarded, thus optimising borrowing costs as well as scoring larger ticket sizes from the lenders

Key Takeaways

01

Well Capitalised

CSL is a well-capitalised lender with a superior Capital Adequacy Ratio.

02

A- STABLE: Credit Rating

CSL's credit rating has recently upgraded to A- Stable, this will help CSL access more capital and at competitive terms. It will also open doors to a new set of lenders.

03

Geared for Growth

With a significant headroom to grow leverage ratio, and a conducive external environment the Company is geared for further AUM growth.

04

Growing mix of SME Retail: Wholesale

Growing mix of SME Retail, will help optimise the overall cost-to-income ratio of the Company and improve profitability.

05

Strong Risk Management DNA

The Company puts risk management at the foremost. It also follows conservative provisioning standards i.e. 1% of AUM against regulatory requirement of 0.4%.

Safe Harbour

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GET IN TOUCH

PREETI GUPTA

Company Secretary

CSL Finance Limited
investor@cslfinance.in



SAYAM POKHARNA

Investor Relations Advisor
TIL Advisors Private Limited
sayam@theinvestmentlab.in