

February 11, 2025

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 December 31, 2024.

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

This is for your kind information and records.

Thanking you,
Yours Faithfully,
For **CSL Finance Limited**

PREETI Digitally signed
by PREETI
GUPTA
GUPTA Date: 2025.02.11
15:58:39 +05'30'

Preeti Gupta
(Company Secretary & Compliance Officer)

Encl: a/a

Q3FY25

Investor Presentation

February 2025



Quarterly Business Update



Inside this section

Business Growth YoY

Loan Book Size

Asset Quality

Asset Quality: Stage Analysis

P&L Highlights

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Quarterly Financial Snapshot

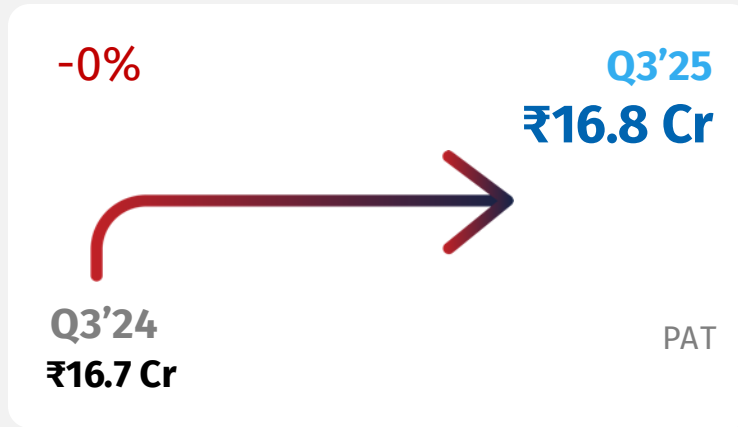
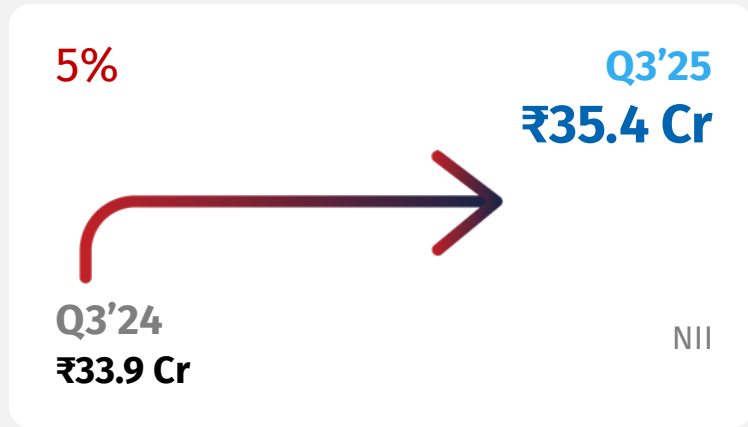
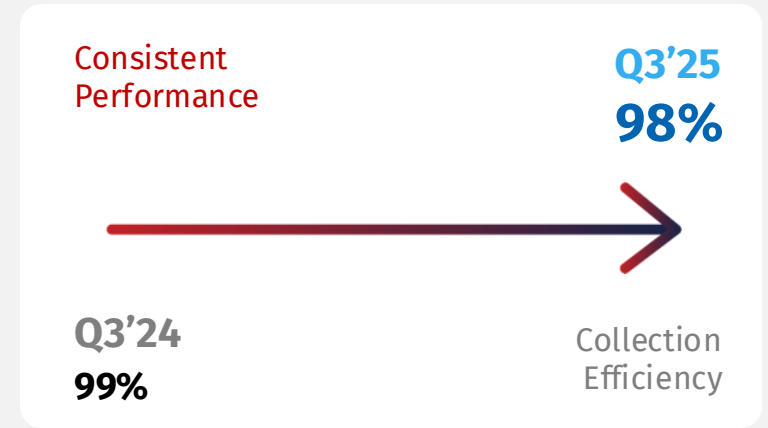
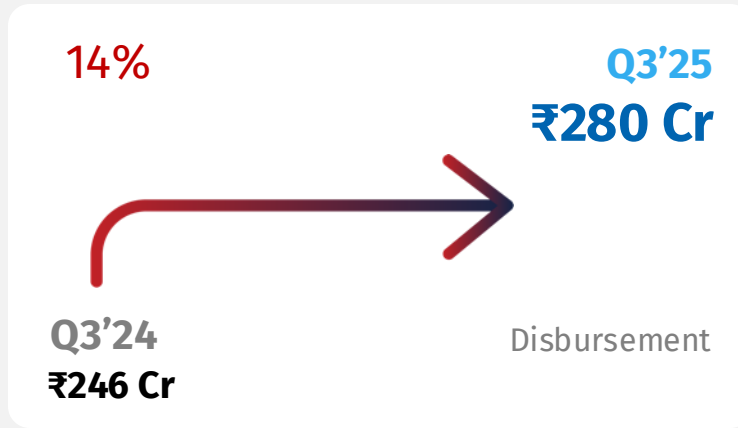
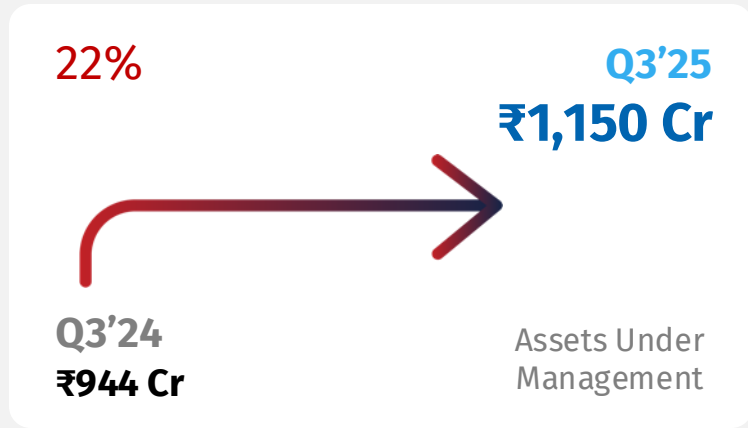
Operational Updates

New Product Updates:
Suidha Loans

Lending Partners

5Y Financial Snapshot

Business Growth YoY



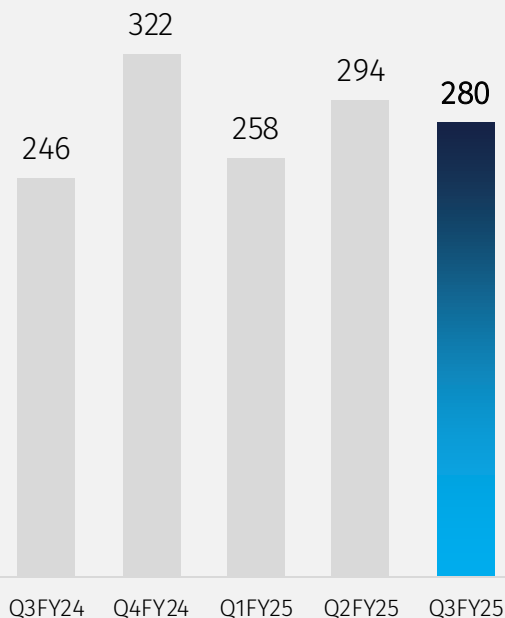
Note: AUM for Q3FY25 includes off-book AUM of ₹ 49 crore.

Loan Book Size

Disbursements

(₹ crore)

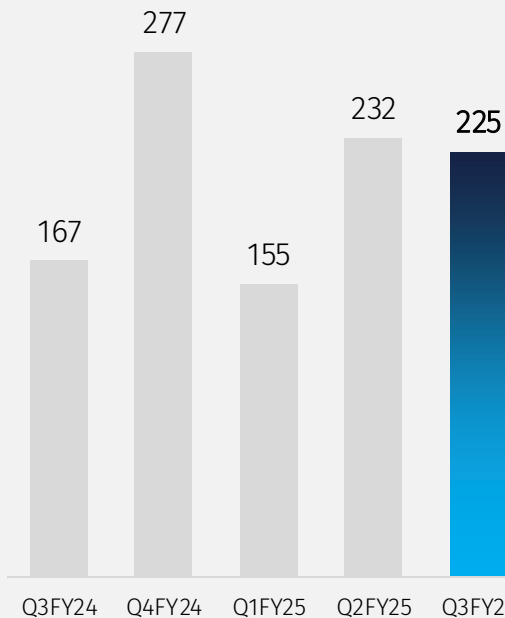
14% **-5%**
YOY Change QOQ Change



Collections

(₹ crore)

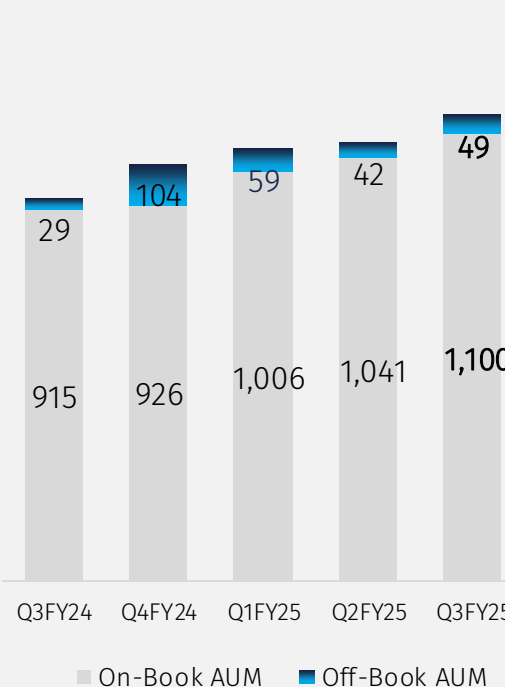
35% **-3%**
YOY Change QOQ Change



Loan Book

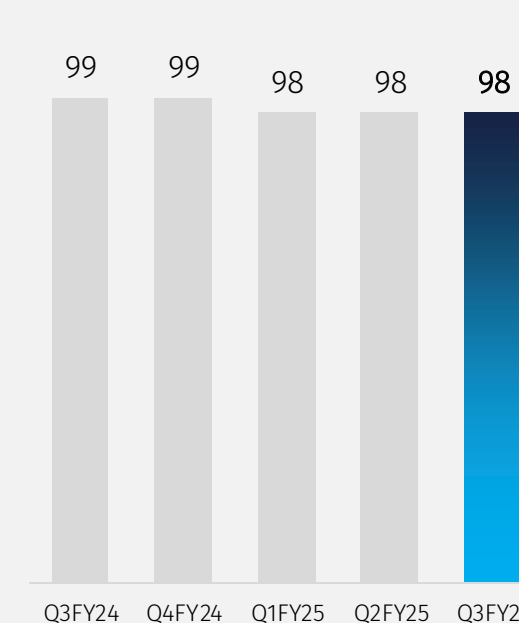
(₹ crore)

22% **6%**
YOY Change QOQ Change



Collection Efficiency

(%)

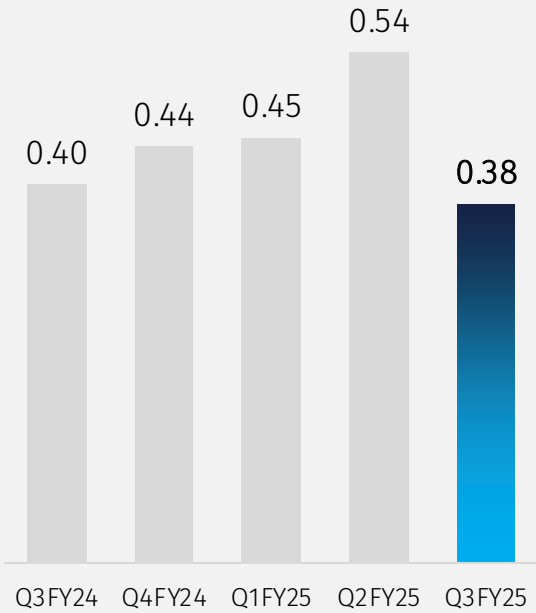


Note: Off-book AUM down on account of lumpiness in Wholesale book
 Note: YOY & QOQ change for Total AUM

Asset Quality

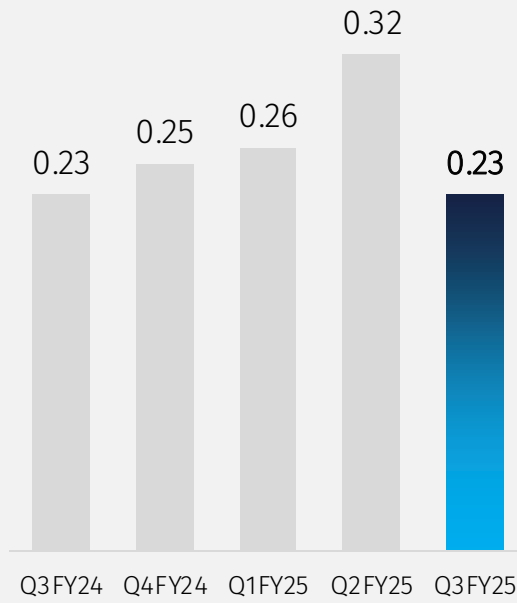
Gross NPA

(%) **-2 BPS** **-16 BPS**
 YOY Change QOQ Change

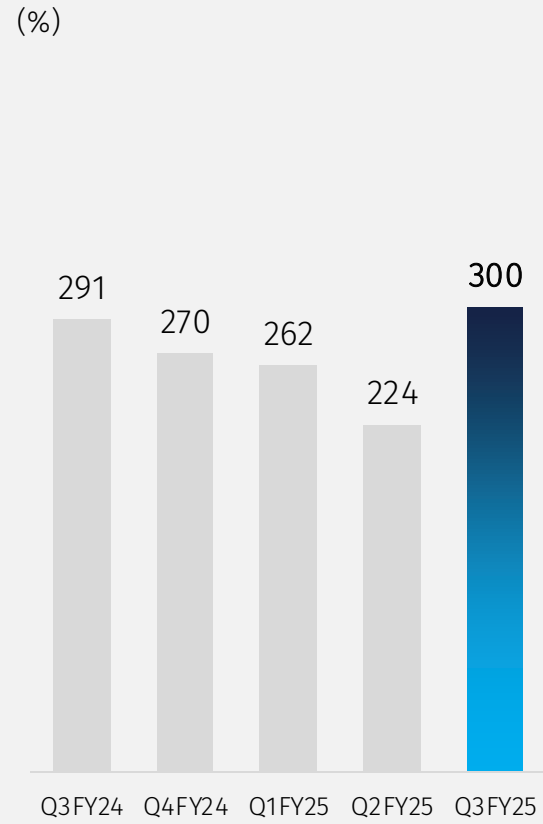


NET NPA

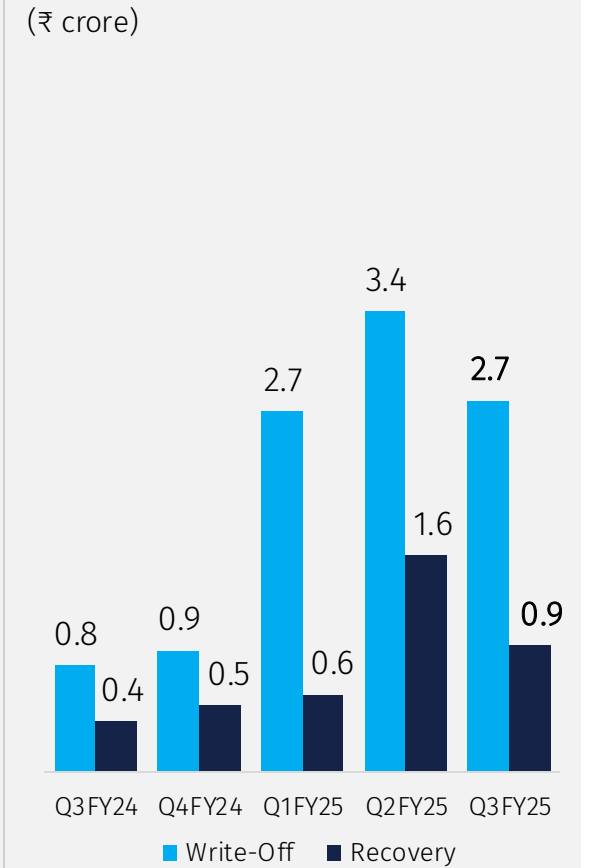
(%) **0 BPS** **-9 BPS**
 YOY Change QOQ Change



Provision Coverage Ratio



Write-offs & Recoveries



Asset Quality: **Stage Analysis**

Classification of Assets Basis the ECL Computation as Per Ind-AS:

PARTICULARS	Q3FY24	Q2FY25	Q3FY25
Gross Stage 3 (GNPA)	3.67	5.64	4.22
% portfolio in Stage 3	0.40%	0.54%	0.38%
ECL provision Stage 3	1.60	2.37	1.73
Net Stage 3	2.07	3.27	2.49
ECL Provision % Stage 3	43.66%	41.99%	41.03%
Gross Stage 1 & 2	906.77	1,032.23	1,095.79
% portfolio in Stage 1 & 2	99.60%	99.46%	99.62%
ECL provision Stage 1 & 2	9.10	10.29	10.92
Net Stage 1 & 2	897.67	1,021.94	1,084.87
ECL provision % Stage 1 & 2	1.00%	1.00%	1.00%
Total Assets	910.44	1,037.86	1,100.01
% portfolio	100.00%	100.00%	100.00%
ECL Provision	10.71	12.66	12.66
Net Stage	899.74	1,025.21	1,087.35
TOTAL ECL Provision %	1.18%	1.22%	1.15%
Provision Coverage Ratio	291.49%	224.41%	299.78%
NET NPA (Only Stage 3 Provision)	0.23%	0.32%	0.23%

P&L Highlights

Net Interest Income

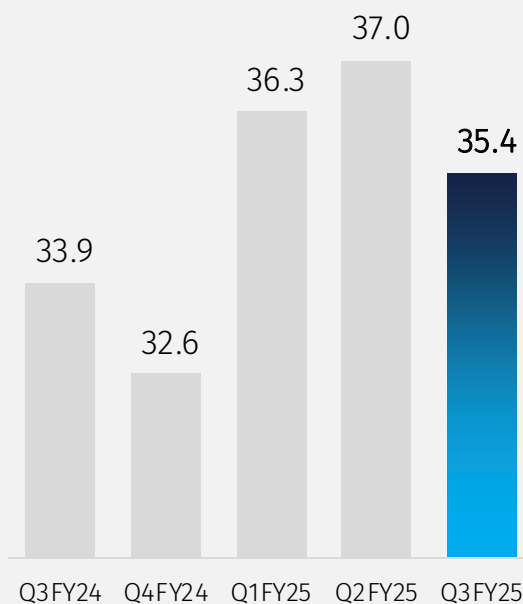
(₹ crore)

5%

YOY Change

-4%

QOQ Change



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

Total Income

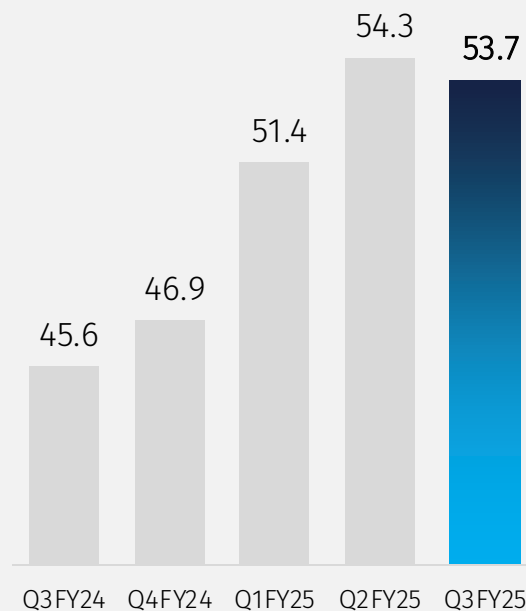
(₹ crore)

18%

YOY Change

-1%

QOQ Change



Profit After Tax

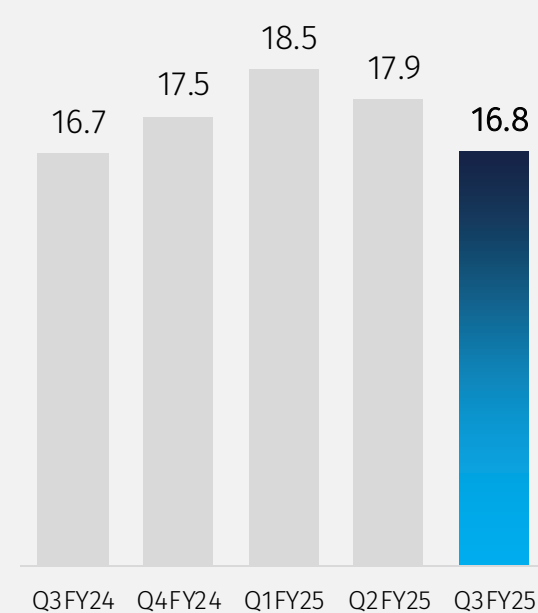
(₹ crore)

-0%

YOY Change

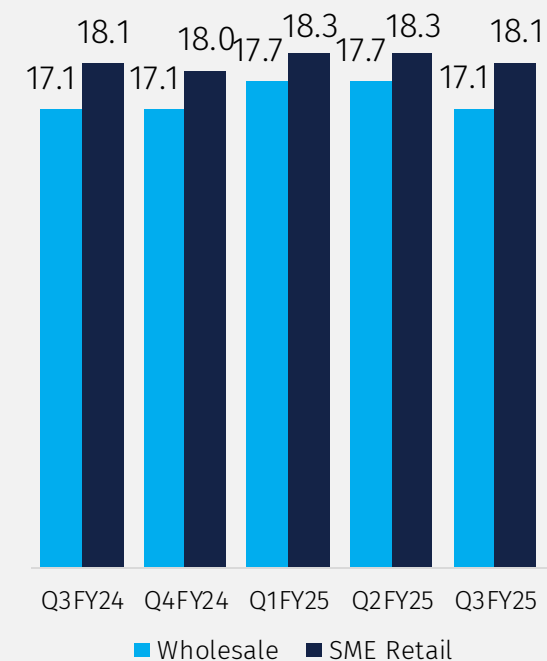
-6%

QOQ Change



Yields

(%)

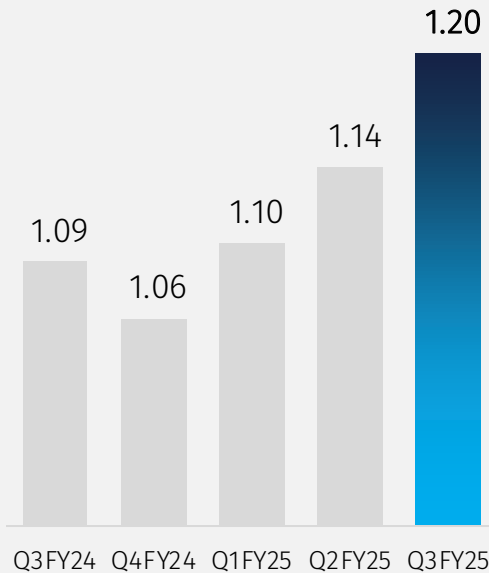


■ Wholesale ■ SME Retail

Treasury Update

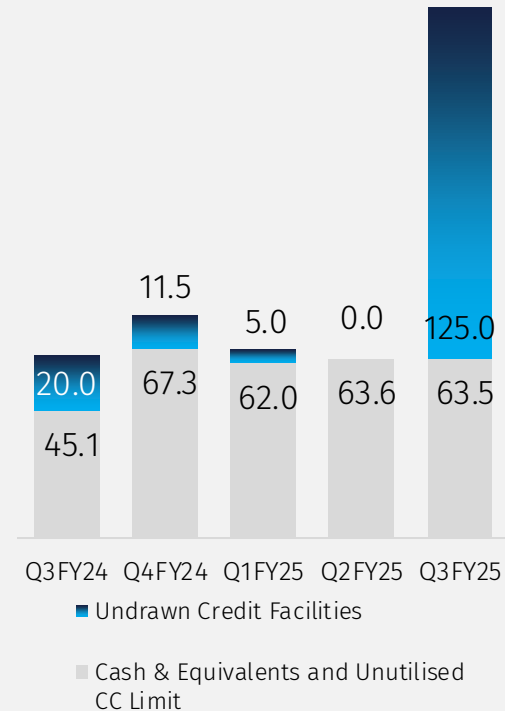
Leverage

(Time)



Liquidity

(₹ crore)



- 1 The Company has higher liquidity of ₹63.5 crore coupled with ₹125.0 crore of undrawn credit facilities as on 31st December 2024.
- 2 The Company has positive ALM across all the buckets.
- 3 Credit Rating for the Company has been reaffirmed as A- | Stable from Acuite Ratings & Research as on November 4, 2024
- 4 The Leverage Ratio is at a comfortable 1.20x as on 31st December 2024 with total outstanding borrowings of ₹ 629.36 crore.



Quarterly **Financial Snapshot**

(₹ crore)

PARTICULARS	Q3FY24	Q2FY25	Q3FY25
Disbursements	245.89	293.93	280.11
Revenue	45.66	54.31	53.70
Interest Income	39.46	49.10	50.52
PBT	23.75	24.72	22.55
PAT	16.72	17.85	16.77
Bad debts written off	0.79	3.39	2.74
Bad debts recovered	0.38	1.62	0.94
Loans and Advances (before ECL provision)	910.44	1,037.86	1,100.61
Net Worth	456.25	505.73	522.56
Total Liabilities	509.75	589.51	635.38
Borrowings	496.29	574.52	629.36
Gross NPA (%)	0.40%	0.54%	0.38%
Net NPA (%)	0.23%	0.32%	0.23%
Debt to Equity Ratio	1.09	1.14	1.20
CAR	47.29%	49.11%	47.49%
ROA	7.28%	6.60%	5.96%
ROE	14.94%	14.29%	13.05%
Book Value per share	203.39	221.98	229.37

Operational Updates

LOAN BOOK

- AUM growth rate has decelerated due to reduced disbursements in the SME Retail vertical, while Wholesale disbursements have fared much better during this 9MFY25 period of consolidation in the SME Retail vertical.
- Following the challenges in H1 and the industry environment in the SME Retail segment, the Company has strengthened its underwriting and implemented more vigilant credit policies. The newly deployed LOS has contributed to tightening credit policies.
- Additionally, the Company has faced internal productivity issues and team structure realignment, impacting business growth during this period.
- Looking ahead, the consolidation phase in the SME Retail segment appears to be behind us, with expectations of improved disbursements in upcoming quarters.
- However, the Company remains cautious about the industry scenario, borrower leverage levels, continuing spillover effect from the industry's unsecured portfolio to the secured portfolio, and industry-wide slippages in its product segments.

- As a result of all these factors, AUM growth stood at 22% YOY and 6% QOQ. The AUM mix has shifted towards Wholesale in 9MFY25, with a ratio of 37:63 for SME Retail to Wholesale. The Company anticipates the AUM mix to shift in favor of the SME Retail segment again in FY26.

PROVISIONING & WRITE-OFFS

- The Company has observed an increase in slippages, in line with the industry scenario.
- Conservative provisioning norms led to some write-offs in Q3, albeit lower than Q2. Write-offs for 9MFY25 amounted to ₹8.8 Cr, primarily due to the Suvidha & SME Retail portfolio. Recoveries from these write-offs are expected over the next 12 months.
- Asset quality (GNPA & NNPA) has improved in Q3 from a higher base in Q2. The Company maintains a Provision Coverage Ratio of 300%.

NET INTEREST INCOME & PROFITABILITY

- Total Income experienced a marginal 1% decrease QOQ due to lower Fee & Commission income and a growth of 18% YOY. Net Interest Income (NII) declined by 4% QOQ, attributed to higher leverage and liquidity leading to negative interest carry, coupled with lower Fee & Commission income.

- Liquidity as of Q3 stands higher, with ₹125 Cr in undrawn limits.
- The combined effect of reduced NII and increased operating expenses (OPEX) from recent branch expansion resulted in a 6% QOQ decrease in Profit After Tax (PAT).

LEARNINGS FROM RECENT CONSOLIDATION

- Recent challenges in the SME Retail segment have prompted strategy and product adjustments.
- The Company will discontinue disbursing accounts exceeding 40 lakhs in the SME Retail segment due to low stickiness of that portfolio. Loans below 5 lakhs will also be avoided as they do not meet credit and underwriting norms and have poor quality collateral. Exceptions in some cases may be there.
- Moving forward, the focus will be on the 7.5 lakh to 30 lakh loan category, which is expected to constitute 90% of the incremental portfolio.

LENDING PARTNERS

- The lending partner portfolio has further expanded with the addition of 3 new lenders: Jana Small Finance Bank and ESAF Small Finance Bank in the SFB category, and Ambit Finvest in the NBFC category.

- ~₹270 Cr in cumulative debt was raised this quarter. However, debt-raise at favorable costs may become increasingly challenging in coming quarters given the current industry scenario.
- The Company maintains a healthy liquidity of ₹63.5 Cr at the end of Q3.

BRANCH FOOTPRINT EXPANSION

- One new branch was added in Q3, following 13 additions in H1, bringing the total operational branch count to 43. Net team addition was 6 in Q3.
- Immediate focus is on generating business from these new branches while evaluating further expansions in the coming financial year.

OUTLOOK

- We remain on track to meet our AUM target of ₹1,250-1,350 Cr for FY25.



Lending Partners

Banks & SFBs

				
				
				
				
Newly added				
				

NBFC

		
		
		
		
Newly added		
		

5Y Financial Snapshot

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



Inside this section

Introduction

CSL's Business Model

Key Differentiators of CSL

Business Verticals & Products

SME Retail

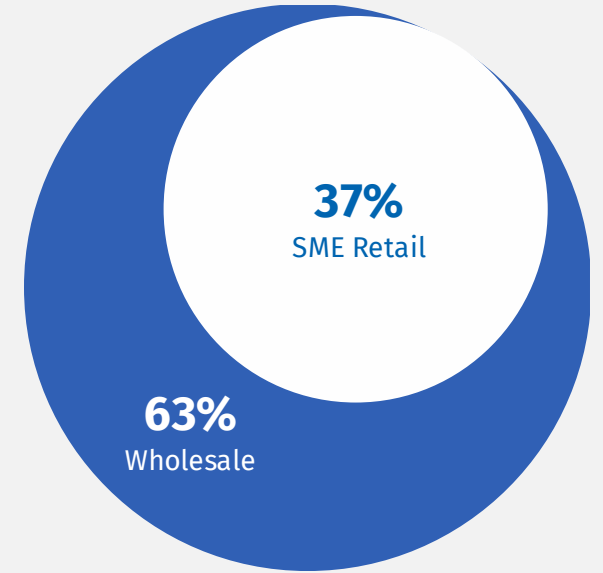
Wholesale

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.



₹1,150 Crore
AUM

A- Stable
Credit Rating Reaffirmed

13%
ROE

100%
Secured loan book

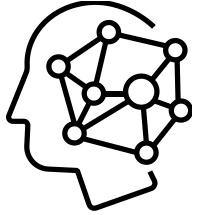
₹523 Cr
Net Worth

47%
Superior CAR

463
Team Strength

As of Q3FY25

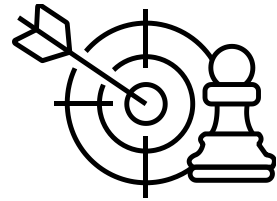
CSL's **Business Model**



01

**Domain
Expertise**

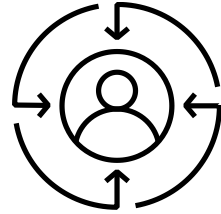
Build deep understanding of our markets, products, and customers



02

**Focused
Strategy**

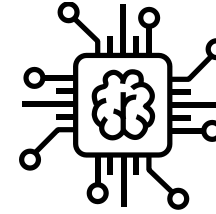
Operate within circle of competence, and expand it over time



03

**Customer-
Centric**

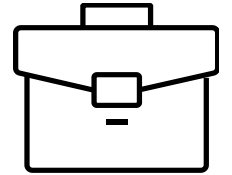
Prioritise customer comfort, tailored products, swift disbursements, etc.



04

**Technology-
Driven**

Harness technology to enhance credit decisioning, reduce TAT, and continuously improve lending models



05

**Healthy
Businesses**

Lend to healthy businesses, with good cash flows, profit margins, and business vintage; who lack access to traditional finance sources

Key Differentiators of CSL



SME Retail Lending

1. Target market: serving the **unbanked & underserved**
2. Using **alternative data** instead of conventional scorecards for underwriting
3. **Swift disbursement** & ease of application
4. Efficiency through **digital transformation**
5. Small and flexible ticket sizes
6. Focused on **secured lending** book (99%)
7. **Quality collateral** (85% is SORP & 9% is SOCP)
8. Promoting **financial inclusion** (63% AUM from non-Urban locations)



Wholesale Lending

1. **Niche and focused** real estate wholesale book
2. Focus on **projects with decent capital contribution** by promoters or last-mile funding
3. Focused on **secured lending** book (100% of the book)
4. Built on **in-depth expertise of NCR** and all its micro-markets
5. Proactive **project monitoring** post funding
6. **Robust collection** mechanism in place via escrows
7. Strength in the affordable housing segment

Business Verticals & Products



Wholesale

WS Large

Structured loans for Mid Income/ Affordable Group Housing Projects

₹436 crore
AUM

43
Active Accounts

₹14 crore
Average Ticket Size

WS Small

Construction loan given against single plotted projects

₹244 crore
AUM

36
Active Accounts

₹13 crore
Average Ticket Size

WS Other Term Loan

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

₹47 crore
AUM

10
Active Accounts

₹10 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

₹329 crore
AUM

2,951
Active Accounts

₹10 lakh
Average Ticket Size



SME Mid-Sized Lap

Loan against properties for business expansion or working capital finance

₹94 crore
AUM

51
Active Accounts

₹3 crore
Average Ticket Size

SME Retail



SME Retail (1/6)

Products

Jyoti



₹7-10 Lakhs

Loan Amount

7

Max Tenure (In Years)

Target Customer

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.

Shakti



₹10-25 Lakhs

Loan Amount

10

Max Tenure (In Years)

Target Customer

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

Samadhan



₹25-50 Lakhs

Loan Amount

10

Max Tenure (In Years)

Target Customer

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

SME Retail (2/6)

Products

Nirman



₹7-50 Lakhs

Loan Amount

10

Max Tenure (In Years)

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.

Sarthak



₹7-25 Lakhs

Loan Amount

10

Max Tenure (In Years)

Target Customer

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

Sakshar



₹7-50 Lakhs

Loan Amount

10

Max Tenure (In Years)

Target Customer

Loans to schools and education institutions to meet their working capital requirements.

SME Retail (3/6)

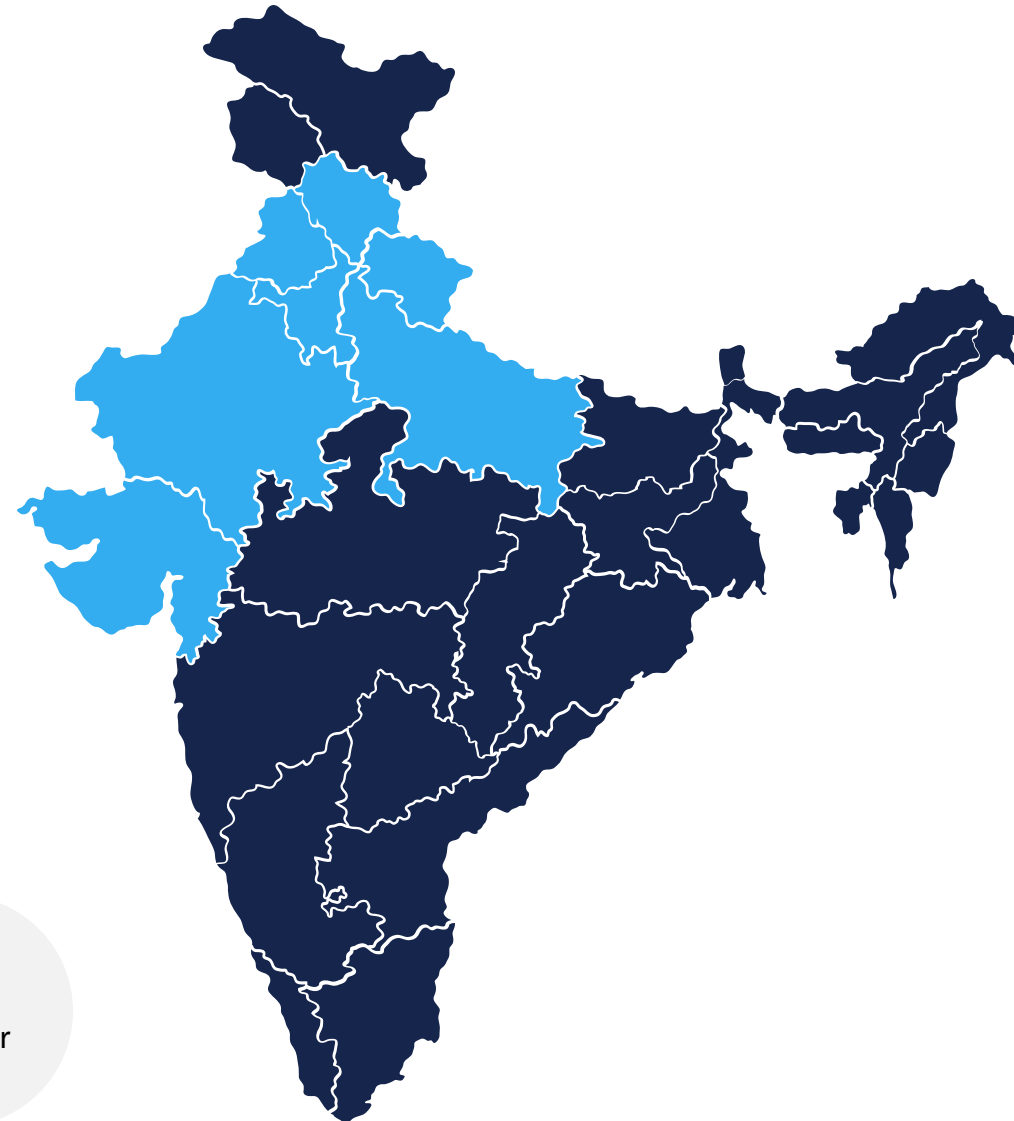
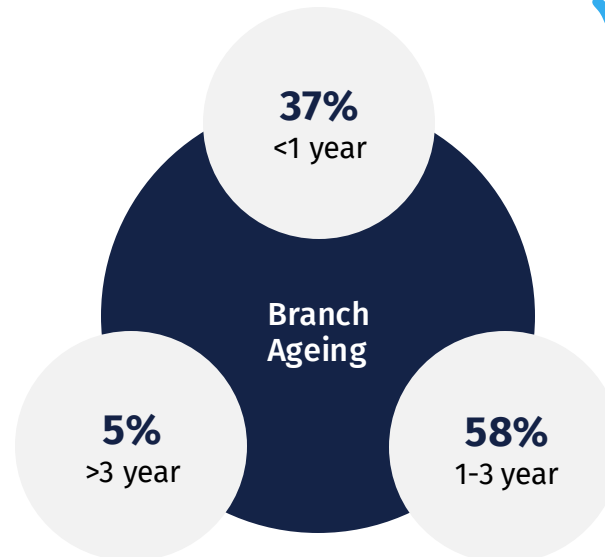
Presence

● 31% 13 Branches Rajasthan	● 27% 12 Branches Gujarat
● 12% 3 Branches Punjab	● 12% 7 Branches Haryana
● 2% 1 Branch New Delhi	● 7% 3 Branches Uttarakhand
● 10% 4 Branches Uttar Pradesh	43 Branches Total Branch Network

■ AUM DISTRIBUTION (in %)

Clustered

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



SME Retail (4/6)

Automating Workflow to Improve Efficiency

Loan Origination

- Customer on-boarding & authentication
- Geotagging of business premise and residence
- eKYC
- Document verification & validation
- Preliminary eligibility check
- Mobile number verification through OTP
- Door to door canvassing for lead generation



Loan Evaluation

- Multi Bureau checks + CIBIL Auto analysis
- Automated Technical & Field Investigation
- Automated Bank statement analyzer
- Different input parameters for credit analysis
- Physical verification of business premise & residence
- Multiple third party APIs installed to eliminate fraudulent activities



Loan Disbursement

- 100% cashless, E-disbursement of loan file and amount
- Payment enabled through various third-party payment gateways & apps
- E-signing of all documents for unsecured loans
- Multiple report generations at a click of a button



Loan Collection

- Digital mobile App for field officers
- Geo tagging & customer information update
- 99% collection done by NACH & eNACH
- Penny-drop verification
- Automated & Manual outbound dialling and instalment reminder messages

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)

Relying on a banking customer onboarding & loan underwriting platform

Key drawback:
Less suitable for NBFC operations | Little customizations

Up to 2021

Migrated to a bespoke customer onboarding & loan underwriting platform with multiple API integrations.

Recent achievements:

Migrated to an improved Loan Origination System • Implemented multiple API integrations to enhance automation • Launched a communication engine for customer interactions • Automated the delivery of loan documents, both pre-printed and digital • Enabled E-NACH and Aadhaar-based NACH for seamless payment processing

- Integrated account aggregation for easier access to financial data
- Strengthened credit underwriting processes through multiple bureau checks and analyses • Deployed a Business Rule Engine (BRE) for automated decision-making and CKYC • Implemented Business Intelligence (BI) dashboards and advanced reporting tools • Launched integration with the Bharat Bill Payment System (BBPS) for streamlined collections • Established an Incentive Management Module.

FY23-FY24

Roadmap:

- Implementation of a new LMS for the Wholesale Vertical
- Ongoing expansion of Data Analytics initiatives
- Automation of Credit Policy and Deviation Management processes
- Integration of E-Signature and E Stamp services for all loan boardings • Enhancements to risk assessment and underwriting through AI-driven methods

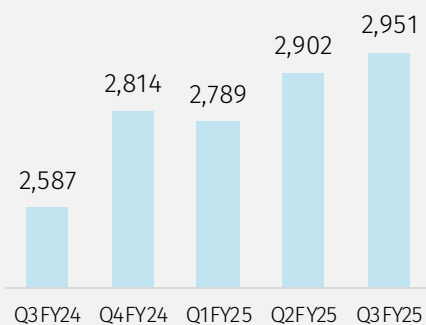
Roadmap
Going
Forward

SME Retail (6/6)

SME

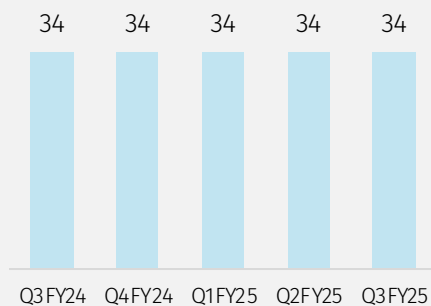
Active Accounts

(#)



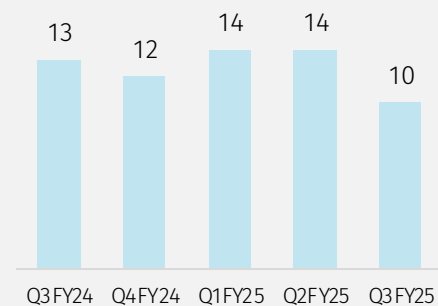
Average Loan-to-value

(%)



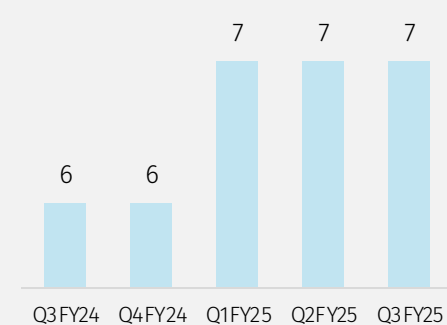
Average Ticket Size

(₹ Lakh)

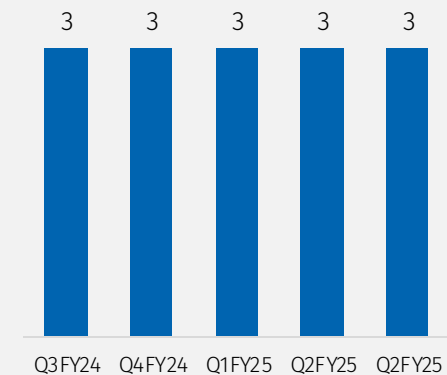
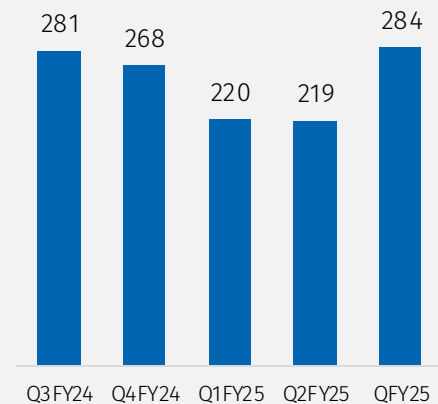
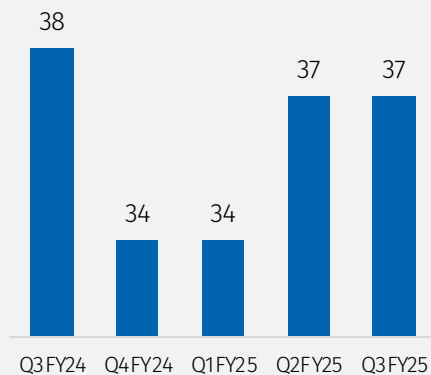
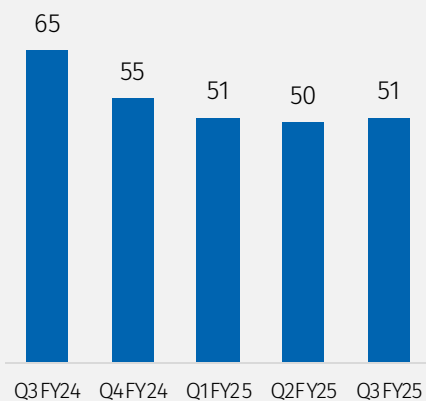


Average Tenure

(Year)

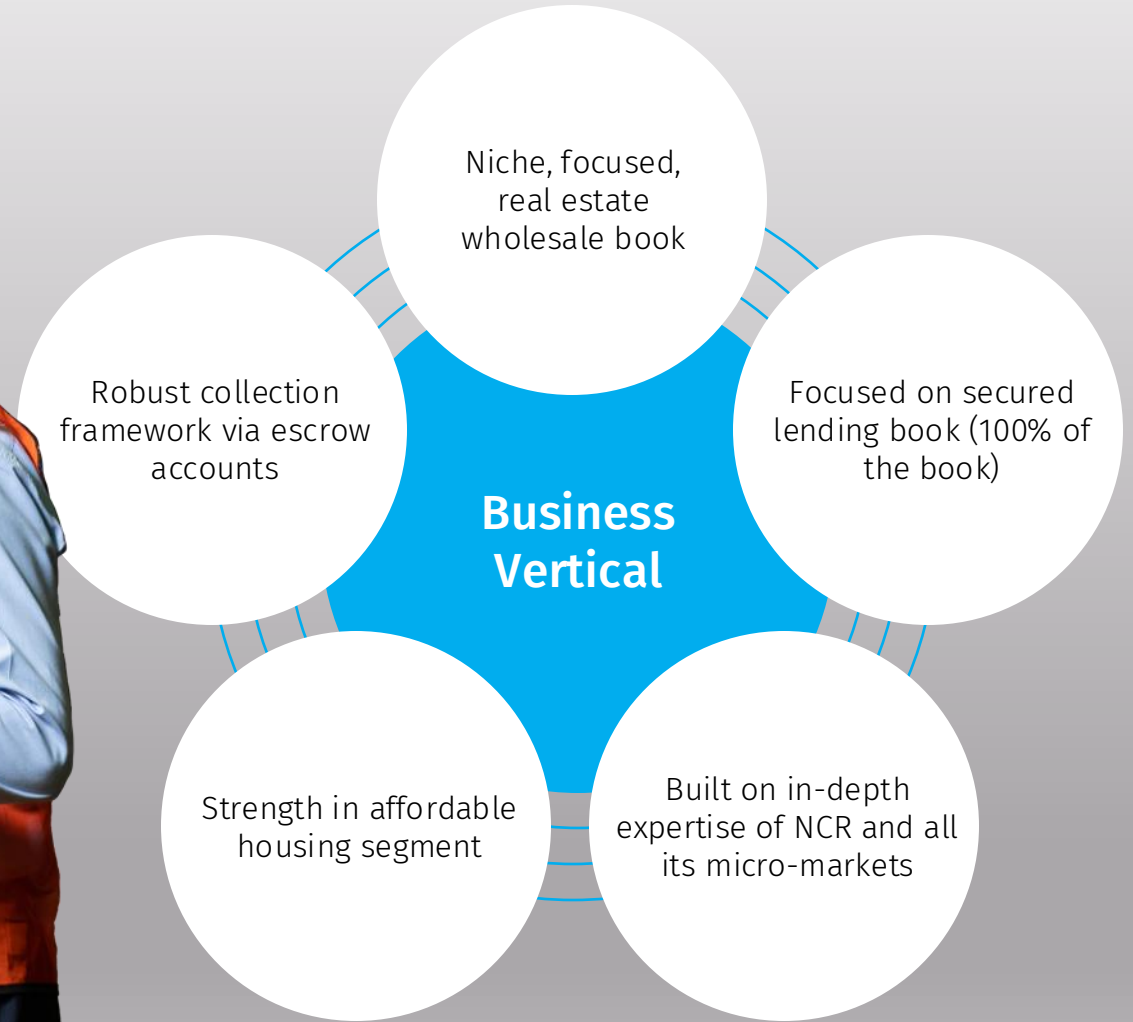


Mid-Sized LAP



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

Wholesale



Wholesale (1/2)

Robust Risk Management Framework



Better Customer Selection: Strong Sourcing

- Presence in strategically selected micro-markets of NCR
- Excellent understanding of dynamics of each micro-market
- Customer selection based on end-use demand
- Primarily involved in last-mile funding, thus reducing project execution risk
- Business with only reputed developers with a good credibility



Credit Appraisal & Excellent Screening

- Robust due diligence
- Extensive credibility checks
- Project & market screening, assessment of market demand-supply trends.
- Each deal is structured uniquely based on specific project requirements
- At least 2X security cover with a charge on multiple assets



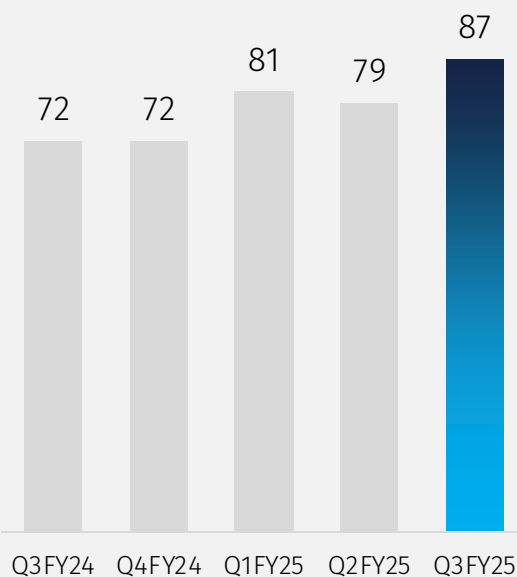
Constant Monitoring

- Dedicated, on-ground resourced for asset monitoring
- Fortnight site visits to assess project progress
- Review of sales, inventories, market price, costs
- Detect early warning signals, initiate required steps, and increase engagement
- Wherever required, initiate early legal actions for faster repayments

Wholesale (2/2)

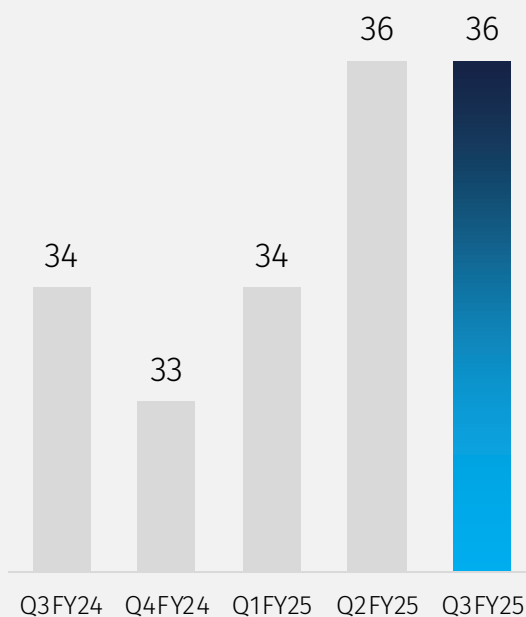
Active Accounts

(#)



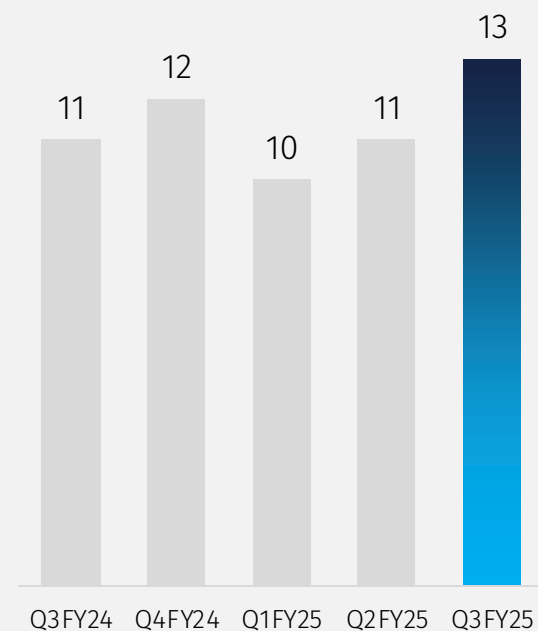
Average Loan-to-value

(%)



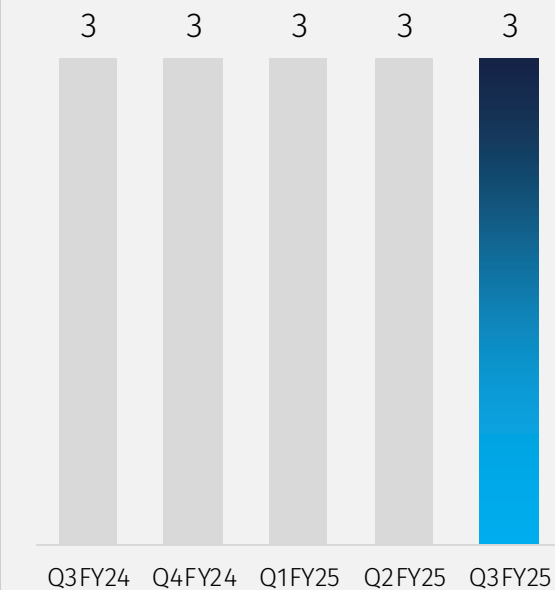
Average Ticket Size

(₹ crore)



Average Tenure

(Year)



Building **for** Leadership



→
Building for
Tomorrow

→
Well Managed
ALM

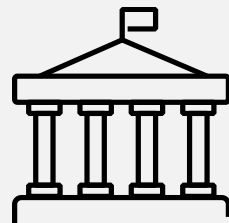
→
Conservative Leverage
Standards

Building for **Tomorrow**



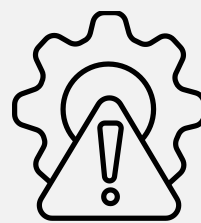
Professionals

- Professional leadership & CXOs
- Deep domain expertise & experience



Governance

- Independent BOD
- 8 years of uninterrupted Dividends
- Transparent & proactive investor communication



Risk-management DNA

- Never growth at cost of risk-management
- Prudent leverage
- Sticking to domain expertise
- Well-managed ALM



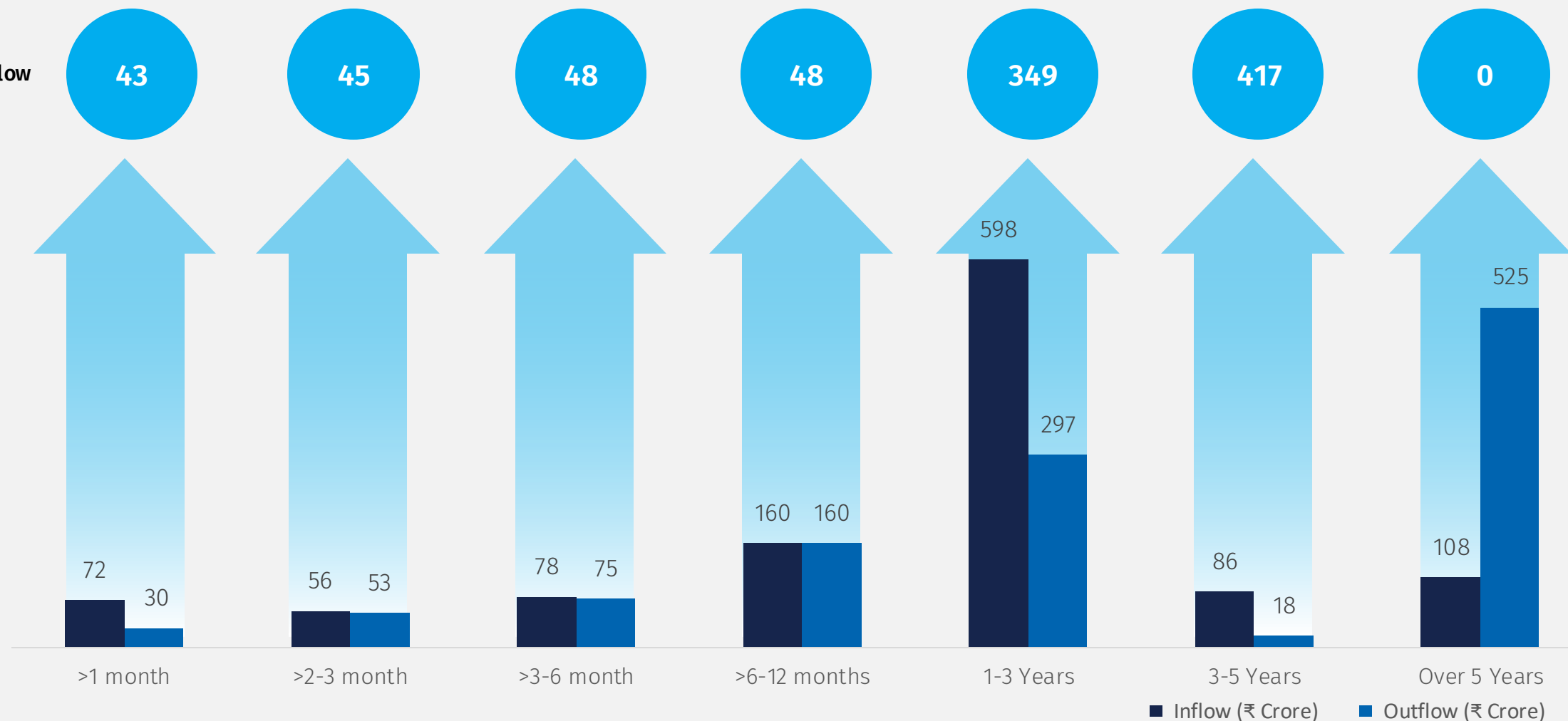
Poised For Growth

Multiple growth levers aligning:

- Self-sufficiency & growth of SME vertical
- New products
- Credit rating upgrade & access to capital
- Headroom for leverage
- Conducive macros

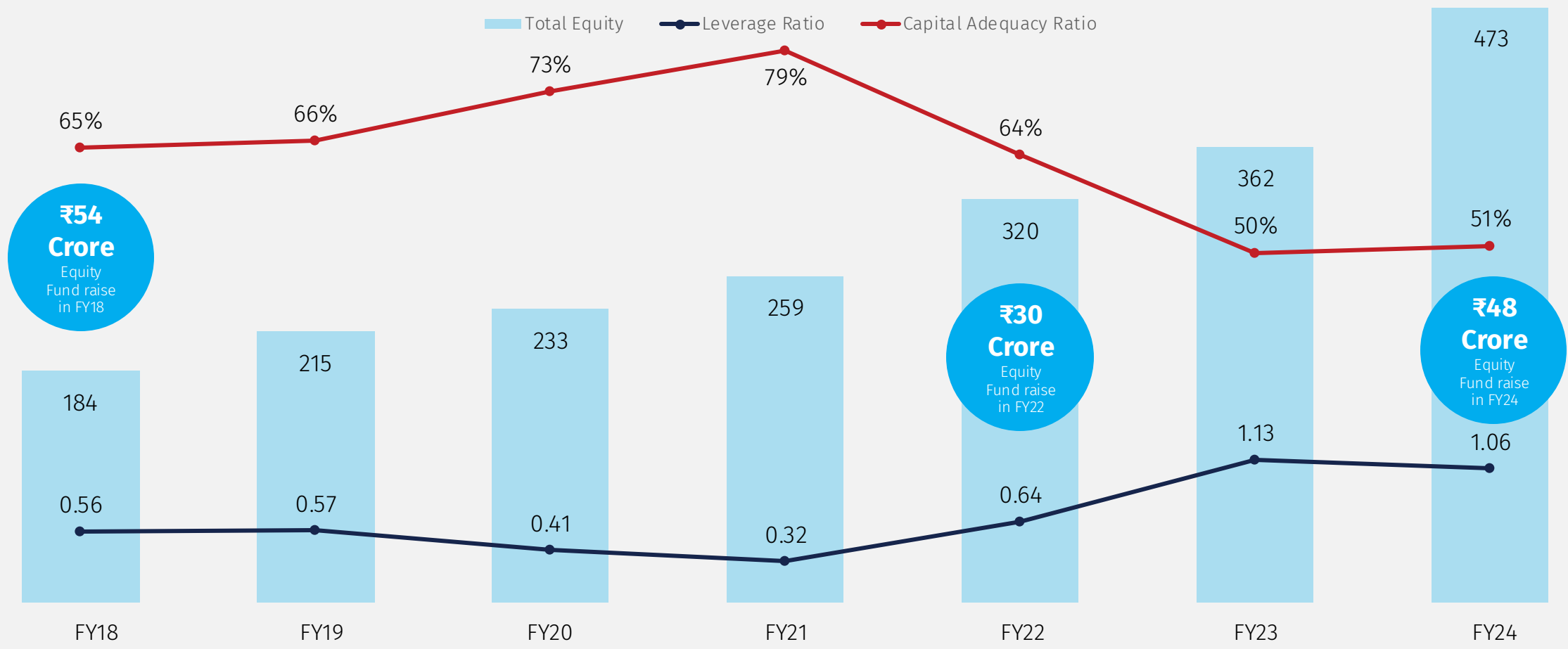
Well Managed ALM

Cumulative
Inflow -Outflow
(₹ Crore)



Conservative Leverage Standards

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



Leadership



Board of
Directors



Management
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+ 13+

Ex - ICICI Bank, Fullerton India Credit Co. Ltd, Equitas Small Finance Bank



Rachita Gupta
Whole Time Director

7+ 6+

Ex - Ernst & Young



Chandan Kumar
Head – Strategy & Business

22+ 5+

Ex - PNB Housing, HDFC, SIB



Naresh Varshney
Chief Financial Officer

36+ 9+

Ex - RR Finance Consultants, Centrum Capital & Unicorn



Deepak Sood
President – SME

28+ <1

Ex - AU Bank, HDFC Bank, Reliance Capital



Amit Kaul
President – IT

33+ <1

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



Atul Agrawal
President – Finance & Treasury

21+ 1+

Ex - Paisalo Digital, SMC Finance



Sachin Shah
Zonal Sales Manager - West Region

21+ 3+

Ex - ICICI Bank, Fullerton India Credit Co. Ltd, Equitas Small Finance Bank



Nikhil Singh
VP Business Operations & Business Analytics

18+ 3+

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



Chirag Gupta
Credit Head – Wholesale

12+ 3+

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



Neeraj Bhati
Zonal Credit Manager – SME

14+ <1

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



Ranjan Banerjee
Zonal Credit Manager – SME

17+ <1

Ex - Tata Capital Financial Services, Hinduja Leyland Finance, Shriram City Union Finance, HDB Financial Services and Fullerton India Credit Company



Saurabh Prydarshi
Head – Legal

12+ 3+

Ex - Ujjivan Financial Services



Hariom Kumar
AVP – HR

17+ 5+

Ex - Ujjivan Financial Services



Preeti Gupta
Company Secretary

9+ 3+

Ex - Ujjivan Financial Services

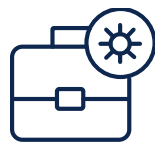
Strategy



→
Strategic
Priorities

→
Key
Takeaways

Strategic **Priorities**



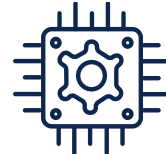
Rationalisation of portfolio

- The Company aims to rationalise its portfolio in favour of the 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.
- Going forward, the 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.
- The Company is planning a 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 tap these Tier-2 & Tier-3 locations with its branch expansion.



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 LOS has been revamped for the SME Retail segment
- Overall LAP is being revamped for the Wholesale segment
- Collections systems are being strengthened



Focusing on core competencies

- Focusing on established core competencies i.e. Wholesale segment in Delhi NCR and SME Retail segment with products ranging 7.5 to 30 lakhs



Leveraging Credit rating upgrade

- Recently, Credit Rating for the Company has been reaffirmed as 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



①

Well Capitalised

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



②

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.



③

Geared for Growth

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



④

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.



⑤

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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