

**August 28, 2025**

|                                                                                                                                                                             |                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| <b>National Stock Exchange of India Limited</b><br>Exchange Plaza, C-1, Block-G, Bandra Kurla<br>Complex, Bandra (E), Mumbai – 400051.<br><br><b>NSE Symbol: CSLFINANCE</b> | <b>BSE Limited</b><br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai-400001<br><br><b>BSE Script Code: 530067</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|

**Sub: Annual Report for the Financial Year 2024-25**

Dear Sir/Ma'am,

In compliance with the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith a Copy of the Annual Report for the proposed 33<sup>rd</sup> Annual General Meeting of the Company for the FY 2024-25 which has been circulated to the shareholders through electronic mode.

The Annual Report is also hosted on the website of the Company at [www.csloffinance.in](http://www.csloffinance.in) . This is for your kind information and record.

Thanking You.

Yours Faithfully,  
For **CSL Finance Limited**

**Preeti Gupta**  
**(Company Secretary & Compliance Officer)**

*Encl: A/a*

# Recalibrate. Rebuild. Rise.



# Recalibrate. Rebuild. Rise.

Last year called for introspection, adaptability, and renewed resolve across CSL Finance. We approached the year with the philosophy of 'Recalibrate. Rebuild. Rise.' to overcome the challenges with a proactive spirit, confronting headwinds in the SME Retail segment through careful recalibration of our strategies, products, and policies. Recognizing shifting market realities, we realigned our team, prioritized risk management, strengthened credit policies and leveraged the strength of our diversified lending model, allowing Wholesale lending to anchor steady growth even when Retail consolidated.

'Recalibrate' defined our readiness to adapt: from refining our underwriting norms, revisiting the product portfolio, to implementing technology-first solutions that streamlined operations and enabled real-time decision-making. 'Rebuild' captured our focus on strengthening the foundations for future growth — be it investing in digital transformation, expanding our branch network, or nurturing internal talent to drive future growth. Through this process, we laid the groundwork for operational resilience and long-term growth.

As CSL Finance moves ahead, the spirit of 'Rise' guides our vision: growing with caution, empowered by robust strategies, technological innovation, a strengthened team and customer-centricity. We remain committed to delivering sustained value creation for our stakeholders while supporting the ambitions of diverse borrowers across India. Together, we are ready to rise stronger from every challenge.



#### Safe Harbour Statement

This document may contain certain forward-looking statements/details in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Investors/ shareholders/public are hence cautioned not to place undue reliance on these statements/details, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this section, consequent to new information, future events or otherwise.

## Resilient performance in face of headwinds

### Financial Highlights

|                                    |          |                                                         |          |                                  |          |
|------------------------------------|----------|---------------------------------------------------------|----------|----------------------------------|----------|
| <b>₹1,195</b> Crores<br>AUM        | ↑<br>16% | <b>₹1,157</b> Crores<br>Loan Book                       | ↑<br>25% | <b>₹542</b> Crores<br>Net Worth  | ↑<br>14% |
| <b>₹216</b> Crores<br>Total Income | ↑<br>30% | <b>₹146</b> Crores<br>Net Interest Income               | ↑<br>21% | <b>₹72</b> Crores<br>Net Profits | ↑<br>14% |
| <b>0.46%</b><br>Gross NPA          |          | <b>1.28x</b><br>Leverage Ratio<br>Conservative Leverage |          | <b>13%</b><br>Return on Equity   |          |

### Business Highlights

|                                      |         |                             |          |                             |         |
|--------------------------------------|---------|-----------------------------|----------|-----------------------------|---------|
| <b>3,195</b><br>Active Loan Accounts | ↑<br>9% | <b>43</b><br>Branch network | ↑<br>48% | <b>460</b><br>Team Strength | ↑<br>9% |
|--------------------------------------|---------|-----------------------------|----------|-----------------------------|---------|

## A- Stable

Highest-Ever  
Credit Rating

## Inside this Report

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For more information  
visit website -  
**www.csloffinance.in**



## ABOUT CSL FINANCE

# Pioneering Accessible Lending for Small Businesses

CSL Finance Limited is a prominent Non-Banking Finance Company (NBFC) in India established in 1992. Over the years, CSL has evolved into a trusted one-stop solution for the financing needs of Small & Medium Enterprises (SMEs), Non-Salaried Individuals & Professionals as well as real estate companies. With an increasing focus on serving underserved and unbanked small businesses, CSL has developed a diverse product portfolio tailored to the evolving capital needs of small enterprises.

## Driving Financial Inclusion

CSL is dedicated to supporting the unbanked and underbanked SME segment, offering a broad range of financial products designed to meet diverse business requirements. By leveraging alternative data and advanced underwriting techniques, the company ensures quick and hassle-free loan processing through a seamless application experience.

### Enabling wider access:

**63% of the SME Retail vertical's Assets Under Management (AUM) comes from non-urban locations, reflecting our commitment to extending financial inclusion beyond metros.**

Our lending solutions are flexible and adaptable, available in small ticket sizes, and delivered via a "Phygital" model that integrates technology with a growing network of branches across our target markets in Northern and Western India.

## Business Verticals

CSL operates through two main business verticals: **SME Retail Lending** and **Wholesale Lending**. These verticals provide an extensive range of secured loan options, bridging the credit gap between small business' aspirations and funding requirements. The expertise of our professionals and the vision of our leadership continue to strengthen our presence in the market.

## The CSL Advantage

Our approach is anchored by in-depth industry knowledge, a focused business model, and an unshakable commitment to customer-centricity. We prioritize swift and efficient financial support, utilizing technology and expanding geographical coverage to maximize reach and accessibility.

## CSL Ethos



**Customer-first**



**Passion for excellence**



**Integrity**



**Respect for people**

## Our Strategic Approach

### Domain Expertise

Our deep understanding of our markets, products, and customer needs enables us to craft bespoke financing solutions backed by effective risk management.

### Focused Strategy

By operating within our core competencies, we maintain a strong & dominant presence in our chosen markets and uphold our commitment to excellence.

### Customer-Centricity

Our customers enjoy multiple access channels and quick loan disbursements, thanks to the end-to-end digital-first operating model and our growing physical network.

### Technology-Driven

We employ an advanced tech stack to refine credit decisions, streamline loan processing TAT, and continuously enhance our lending models.

### Empowering Healthy Businesses

Our efforts focus on SMEs with robust business vintage, cash flows and growth potential who may lack traditional financing options due to limited documentation.

## Our Strengths

### Customer Satisfaction

Fast, flexible loan disbursement with minimal physical documentation ensures businesses receive timely funding.

### Employee Excellence

Our skilled and empowered team delivers exceptional service, operating in an environment that values empathy, growth, and accountability.

### Market Insight

With over two decades of industry experience, we design products that consistently meet diverse customer needs.

### Robust Risk Management

Through thorough research, structured deal assessments, and a robust credit underwriting engine, our team actively manages and mitigates financial risks.

### Healthy Work Culture

Continuous upskilling and exposure to technological advancements ensure ongoing personal and professional development for every team member.



ABOUT CSL FINANCE (CONT.)

Empowering Talent: Our Workplace Ethos

CSL Finance has earned recognition as an employer of choice by prioritizing wellbeing and professional development. Our collaborative and nurturing culture attracts and retains top talent, who are integral to our sustained growth and success. As proof of this commitment, CSL has been honoured with the prestigious 'Great Place to Work' award, further solidifying our standing as a leading employer in the sector.

Find out more here



CSL's Scale of Operations

₹1,195 Crores  
AUM

₹1,157 Crores  
Loan Book

₹542 Crores  
Net Worth

₹1,119 Crores  
Disbursements

43  
Branches

7 States  
Presence

460  
Team Strength

A- Stable  
Credit Rating Reaffirmed

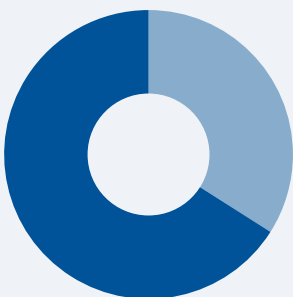
100%  
Secured Loan Book

3,195+  
Satisfied Borrowers

47%  
Superior CAR

13%  
Return on Equity

AUM Mix



100%

In-house sourcing & collections

Note - Figures for FY25

Growing & Diversified Portfolio of Lending Partners

32

lenders onboarded compared to 23 a year ago

Banks & SFB



NBFC



Our Ambition

We are driven by the aspiration to become a trusted lender built on a sustainable, future-ready business model. Our progress is anchored in tenacity, strategic foresight, meticulous execution, and a commitment to creating lasting value — a combination we believe will enable us to realize our ambitious objectives in the years ahead.

1 Customer-Centricity at the Core

We are committed to a genuinely customer-focused approach, prioritizing meaningful relationships and satisfaction, with a strong focus on narrowing the financial inclusion gap for small businesses.

2 Dominance in Target Niches

By harnessing deep domain expertise, we aim to strengthen our presence as a leading lender within select, high-potential segments.

3 Operational Efficiency & Profitability

We strive to build a cost-efficient business model that not only focuses on profitability but also maintains superior asset quality and prudent risk management.

4 Sustainable Value Creation

Our goal is to consistently outperform industry benchmarks by delivering healthy & improving Return on Equity (RoE) year after year.

5 Expanding Financial Access

We are dedicated to empowering unbanked and underserved small businesses and entrepreneurs, while simultaneously leveraging cross-selling opportunities to deepen customer engagement.

6 Focused Geographic Growth

Through a strategic clustered expansion, we deepen our understanding of each micro-market to ensure a high level of comfort and operational excellence in every location we serve.

7 Innovative Product Offerings

We continually introduce thoughtfully designed products to address specific demand-supply gaps, establishing a distinct niche and securing a sustainable competitive advantage.

## GROWTH JOURNEY OF CSL FINANCE

# Journey to Our Lending Niche

CSL Finance Limited has undergone a remarkable transformation, continually redefining its role within the lending industry. Initially focused on secured lending to small and mid-sized corporates, CSL then broadened its portfolio to serve real estate developers, and then ultimately pioneered its SME Retail lending vertical — an inflection point that reshaped the company's direction. Throughout its journey, CSL has consistently demonstrated adaptability, leveraging accumulated expertise to create a robust and sustainable business model while finding its unique position in the marketplace.

## CSL's Evolution Stages

Lending to small & mid-sized corporates

Expanding customer segments to include real estate developers

Foray into SME Retail vertical

Establishing SME Retail as our mainstay

## Key Milestones

**2003**

Registered as an NBFC with the Reserve Bank of India

**2010**

Entered secured lending to small and mid-sized corporates

**2015**

Began lending to real estate developers in NCR; surpassed ₹100 crore in AUM

**2019**

Restructured SME Retail operations, improving processes, products, infrastructure and management bandwidth

**2018**

Established 12 SME Retail branches and entered Rajasthan

**2016**

Secured its first major debt funding of ₹120 crore

**2017**

Launched SME Retail lending vertical and raised ₹54 crore in equity

**2022**

Achieved listing on the National Stock Exchange (NSE)

**2022**

Surpassed ₹500 crore in AUM and ₹100 crore in SME Retail AUM; expanded to 22 branches and raised ₹30 crore in equity

**2023**

Crossed ₹700 crore in AUM, and secured ₹49 crore in equity

**2024**

Crossed ₹1,000 crore in AUM and expanded network to 29 branches

**2025**

Achieved highest ever PAT of **₹72 crore**; expanded presence to **43** operational branches





PHYGITAL OPERATIONS MODEL

# CSL's Physical-Digital Operating Model

CSL Finance's phygital model exemplifies an innovative strategy that marries its expanding branch infrastructure with an advanced end-to-end digital-first operating model. By seamlessly blending physical presence with its tech stack, CSL unlocks new potential — generating business through on-ground relationships while leveraging technology to automate workflows, elevate efficiency, and deliver exceptional customer experiences.

## Key Pillars of the Phygital Model

### 1 Strategic Branch Expansion

Our branch network is growing through a clustered, micro-market approach — prioritising deep market understanding and domain expertise in each location. This focus strengthens our underwriting capabilities, enhances customer service, and builds a strong market presence.

### 2 Hub-and-Spoke Structure

We are advancing towards a hub-and-spoke network, typically comprising 4 to 6 branches per hub. Centralising credit operations at each hub optimizes manpower allocation, delivering greater efficiency and cost savings.

### 3 Digital-First Operations

Our goal is to provide a fully digital operating experience, with digital onboarding, processing, collections, and servicing. This approach reduces turnaround times by 24–48 hours, improves fraud control, and strengthens credit decisions.

### 4 Ongoing Digital Transformation

CSL is relentlessly pursuing greater efficiency and scalability through continuous digital transformation — enabled by a modular, API-first architecture, multi-layer verification, hybrid credit assessment, and proprietary applications that anchor our low-touch onboarding and service capabilities.



## Expanding the Branch Network

Currently, CSL operates 43 branches across 6 states and 1 Union Territory, with plans for significant expansion in the future. Our cluster-based branching strategy allows for optimised resource deployment and consistent results. New branches are strategically located in areas poised for economic growth, such as the Mumbai-Delhi Expressway, Delhi-Uttarakhand Belt, and the Delhi-Punjab GT Road corridor. By focusing on Tier-2 and Tier-3 markets, we aim to tap into regions with high business potential.

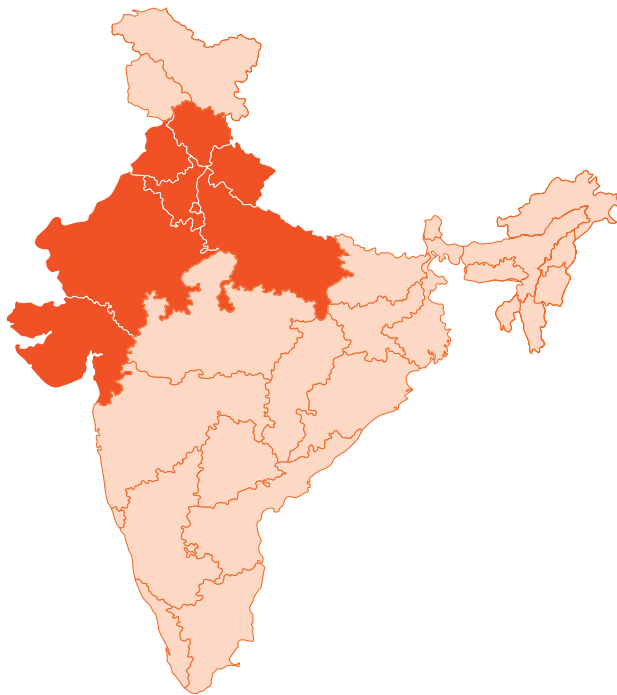
## Clustered

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

### Branches

|    |     |               |    |     |                      |
|----|-----|---------------|----|-----|----------------------|
| 13 | 30% | Rajasthan     | 12 | 27% | Gujarat              |
| 3  | 13% | Punjab        | 7  | 13% | Haryana              |
| 1  | 1%  | New Delhi     | 3  | 6%  | Uttarakhand          |
| 4  | 9%  | Uttar Pradesh | 43 |     | Total Branch Network |

● AUM Distribution (in %)



Map not to scale, only for illustration purpose.

## 14 branches

Net addition in FY25

## 3,063

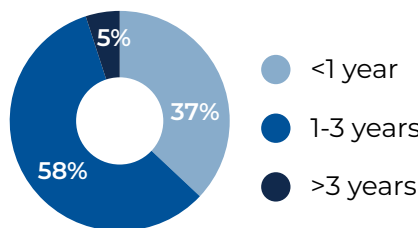
SME Retail loan accounts



## Scale-up

Significant increase in branch network planned in the coming 2 financial years

### Branch Ageing



### Branch network (#)

|      |    |
|------|----|
| FY25 | 43 |
| FY24 | 29 |

### AUM per branch: SME (in ₹ lakh)

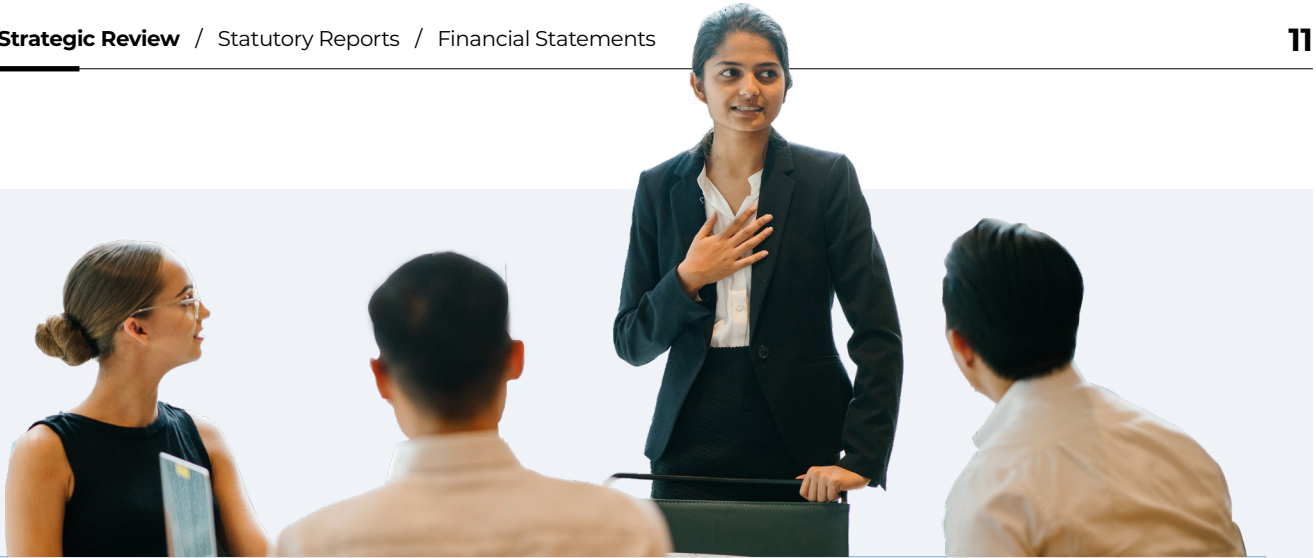
|      |       |
|------|-------|
| FY25 | 1,181 |
| FY24 | 773   |

(Excluding MSL)

PHYGITAL OPERATIONS MODEL (CONT.)

CSL Tech Stack: Digital-First, API-Driven, Future-Ready

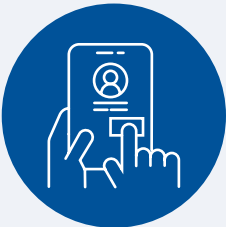
Technology is at the core of our operating model — enabling us to deliver rapid, seamless, and fully digital experiences across the customer and loan lifecycle. Our digital-first approach allows for over 99% of our collections and end-to-end onboarding processes are paperless and digitally enabled, drastically reducing turnaround time and operational overheads.



End-to-End Digital Onboarding & Processing

CSL offers a true digital-first journey, with 100% paperless onboarding and swift, modular API-first architecture that supports rapid scaling and easy integration with third-party services. Nearly 80% of our

onboarding is digital, supported by systematized physical due diligence and document checks where necessary. This ensures door-to-login within ~30 minutes and average TAT reductions of 24-48 hours.



Innovative Verification & Risk Decisioning

We deploy a multi-layered verification process that integrates ID, bank, geo-location, criminal, and bureau checks for robust KYC and fraud prevention. Our hybrid credit decisioning uses bureau

data, alternative datasets, and real-time risk algorithms to enhance credit scoring and fraud control — enabling improved credit decisioning supported by advanced analytics.



Proprietary Applications & Mobility Solutions

CSL's proprietary suite includes digital collection and servicing apps, sales and credit mobility platforms, and real-time dashboards, empowering on-ground teams,

streamlining workflows, and boosting productivity. Our applications facilitate seamless lead management, credit underwriting, disbursals, and monitoring, all through intuitive mobile and web interfaces.



Digital Collections & Servicing

Our collections ecosystem is digitally native, with close to 99% of EMIs collected via digital platforms such as NACH, UPI, and Bharat BillPay. Customers are supported 24/7 via

WhatsApp, email, a toll-free call center, and cloud-telephony-powered service channels. Automated payment links, digital welcome kits, and real-time settlement mechanisms further enhance the customer experience.



Data Analytics & Automation

Our analytics engine powers real-time dashboards at multiple levels, automated incentive solutions, and automotive accounting entries from the Loan Management System (LMS).

We leverage RegTech for automated, real-time compliance, reporting, and stress testing aligned with RBI mandates.



Architecture & Security

CSL's entire loan lifecycle — from origination to disbursal and collection — is managed via a modular API-driven LOS, ensuring rapid scalability, continuous innovation, and compliance. All core business

applications are hosted on SOC2-compliant AWS Cloud infrastructure, with robust Disaster Recovery (DR) and Business Continuity Planning (BCP) implemented.



Future Roadmap

Looking forward, our technology roadmap is focused on further automation, deeper analytics, and continuous upgrades of

existing proprietary tools — positioning CSL at the forefront of digital lending.

Its tech stack enables CSL Finance to be a nimble, future-ready, and truly digital lender — delivering operational efficiency, improved risk management, and an exceptional customer experience at scale.



BUSINESS VERTICAL: SME RETAIL LENDING

# Unlocking Opportunities for Small Businesses



Our SME Retail vertical is dedicated to closing the credit gap for underserved and unbanked small businesses — predominantly SMEs and MSMEs — by offering secured, collateralized loans specifically designed to meet their funding needs.

We take an innovative underwriting approach by analyzing alternative data points that go beyond traditional credit scoring. This means we carefully assess factors like business performance, cash flow patterns, and operational tenure, in addition to undertaking rigorous collateral evaluation. As a result, we can offer flexible, small-ticket loans tailored to address the distinct requirements of each enterprise. Our focus on robust security ensures high-quality collateral, with 86% comprising self-occupied residential properties (SORP) and 14% self-occupied commercial properties (SOCP).

This vertical mainly serves SMEs in sectors like education, healthcare, agriculture, FMCG trading, and small-scale industries. We also support salaried professionals with limited access to traditional banking, fostering deeper financial inclusion. Significantly, 63% of our Assets Under Management (AUM) in this vertical comes from non-urban areas — demonstrating our commitment to inclusive growth.

**₹412 Crores**  
SME Retail AUM  
(including MSL)

**18%**  
Average Yield

**3,102**  
Active Accounts

**37% LTV**  
Focused on secure  
loans with nearly  
3x asset cover



## BUSINESS VERTICAL: SME RETAIL LENDING (CONT.)

## Bespoke products for every need

## Products

## 1 LAP-SENP

₹7-50 Lakhs

Loan Amount

## 1 LAP-SCHOOL

₹7-50 Lakhs

Loan Amount

## 1 LAP-SALARIED

₹2-50 Lakhs

Loan Amount

## Target Customer

Self-employed  
individuals with  
collateralSchools  
(tier-2/3) with  
collateralSalaried  
individuals with  
collateralBetween  
16% to 22%  
ROI

## Key differentiators

Targeting the Unbanked  
and UnderservedSpecializing in SMEs and individuals who lack  
mainstream banking access.Alternative Data-Driven  
UnderwritingLending decisions based on a holistic evaluation,  
beyond conventional scorecards.

## Fully Digital Onboarding

Seamless, paperless application and  
approval process.Quick Disbursements and  
Streamlined ExperienceFast loan disbursement and an easy,  
intuitive application journey.Operational Efficiency via  
Digital TransformationLeveraging technology to enhance process  
efficiency and customer experience.

## Flexible Loan Sizes

Small, adaptable loan amounts tailored to diverse  
business needs.

## Secured Lending Focus

100% of our retail book is secured by  
quality collateral.

## Emphasis on High-Quality Security

86% of collateral is SORP and 14% is SOCP.



## Driving Financial Inclusion

63% of the portfolio is concentrated in  
non-urban markets, extending credit  
where it's needed most.



BUSINESS VERTICAL: WHOLESALE LENDING

# Bespoke Lending Solutions for Real Estate Developers



Our Wholesale Lending division specializes in delivering custom loan solutions to real estate developers across various markets of the Delhi-NCR region.

We finance both group housing and single-plot projects. These secured loans are backed by project collateral — whether under development or planned — leveraging our deep knowledge of the NCR's micro-markets.

Our lending portfolio is structured across Affordable Group Housing, Mid-Income Group Housing, and Small Builder Floor (G+4) projects, each tailored to the specific demands of these segments. We focus on funding projects with significant promoter equity, often providing last-mile financing that helps minimize execution risks. Every transaction is uniquely structured to address distinct project requirements. To reinforce repayment security, we deploy a robust collections framework, including escrow mechanisms.

Rigorous ongoing monitoring is a cornerstone of our risk management. Post-disbursement, each loan is supported by dedicated on-ground teams responsible for continuous asset oversight, reducing project execution risk and upholding asset quality.

**₹785 Crores**  
Wholesale AUM

**17%**  
Average Yield

**93**  
Active Accounts

**36% LTV**  
Focused on secure loans with nearly 3x asset cover



**BUSINESS VERTICAL: WHOLESALE LENDING (CONT.)****Tailored to different real estate projects****WS Large**

Structured loans for mid-income and affordable group housing projects

**Mid-income group housing projects**

- Last-mile funding of mid-income group housing projects
- Located in the NCR region
- Committed receivables are 3x of existing PoS
- Average ticket size of units is under ₹60 lakh

**Affordable group housing projects**

- Projects approved under the Affordable Housing Policy of the Haryana Government
- Time-linked payment
- Committed receivables are 3x of existing PoS
- Average ticket size of units is under ₹25 lakh

**₹468 crore**

AUM

**₹16 crore**

Average ticket size

**50**

Active loan accounts

**60%**

Contribution to the Wholesale AUM

**WS Small**

Structured loans for small builder floors

**Small builder projects**

- Tenure of these loans is under 36 months
- Small builder floors are G+4 floor structure buildings
- Located in South Delhi & Gurugram micro-markets of NCR region
- Regulatory compliances are minimal as these projects

don't fall under RERA compliances

- Risk of non-completion of projects is minimal
- Construction cost is a small part of these projects
- Feedback loop is fast and demand-supply corrects quickly

**₹268 crore**

AUM

**₹10 crore**

Average ticket size

**37**

Active loan accounts

**34%**

Contribution to the Wholesale AUM

**WS Other Term Loan**

Loan against SORP or SOCP properties and loan against securities and deposits which are highly liquid

**₹49 crore**

AUM

**₹10 crore**

Average ticket size

**6**

Active loan accounts

**6%**

Contribution to the Wholesale AUM

**Key differentiators****1**

Specialized, focused wholesale lending book in NCR real estate

**2**

Project selection based on significant promoter capital or last-mile funding needs

**3**

100% of lending secured by robust project collateral

**4**

Deep expertise in the NCR region and its micro-markets

**5**

Strong footprint in the affordable housing segment

**6**

Proactive, on-site project monitoring post-disbursement

**7**

Robust collections framework through escrow structures

**CSL's risk management framework****1****Superior Customer Selection**

- Concentration in carefully chosen NCR micro-markets
- In-depth understanding of localized demand-supply dynamics
- Focused engagement with reputable developers responding to end-use demand
- Emphasis on last-mile funding to further curtail execution risk

**2****Comprehensive Credit Appraisal**

- Robust due diligence and extensive credibility checks
- Rigorous project and market assessments
- Unique deal structures tailored to each project
- Secured lending with 2x-3x asset cover, relying on multiple collateral streams

**3****Continuous Monitoring & Early Mitigation**

- Dedicated local teams for ongoing asset monitoring
- Fortnightly site visits to assess progress
- Regular tracking of sales, inventory, pricing, and project costs
- Early detection of warning signals to prompt risk mitigation or legal action, ensuring faster recoveries



## BOARD OF DIRECTORS

# Strategic Stewardship

**Rohit Gupta**

Managing Director

Rohit Gupta has over two decades of experience in merchant banking, corporate finance, financial restructuring, project finance, capital markets and structured lending. He has advised several small/mid-size organisations in developing and executing 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 its foray into SME lending. He is a qualified Chartered Accountant.

— A S C M AL R

**Ashok Kumar Kathuria**

Director

Ashok Kumar Kathuria has been associated with the Company since its inception. He has served the Company as a Director since 2005 and has experience managing backend operations, documents processing,

liaisoning 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.

— N S C M

**Parmod Bindal**

Independent Director

Parmod Bindal has been a practising Chartered Accountant 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, etc. He has also served as the Independent Director of the Steel Authority of India from 2015 to 2019.

— A

**Subhash Chand Kwatra**

Independent Director

Subhash Chand Kwatra has done his MBA with a specialisation 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.

— A N C I

**Rachita Gupta**

Whole-time Director

Rachita Gupta 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 and corporate branding. She played a vital role in the rollout of the Technology platform for the retail

lending segment as well as other departments of the Company. In addition, she has been a critical person in driving the various MIS reports, setting up the Marketing and CSR departments of the Company and playing a key role in HR, Strategic Decisioning and Investor Communication.

— C M AL R

**Anirudha Kumar**

Non-Executive Independent Director

Mr. Anirudha Kumar is a Fellow Chartered Accountant and legal professional with over 30 years of experience in financial consulting, taxation, fundraising, and audit. He has a strong track record in raising capital for largescale projects, founding and scaling a Category 2

NBFC, and advising corporates and high-growth ventures on regulatory compliance, mergers, and acquisitions. Mr. Kumar is also an Independent Financial and Taxation Consultant at Numed Super Speciality Hospital, Delhi NCR, since 2013.

— A N S

**Alaktika Banerjee**

Non-Executive Independent Director

Ms. Alaktika Banerjee is a seasoned banker with 35+ years at State Bank of India, excelling in credit risk management, financial analysis, and NPA management. She has held key leadership roles, most recently as Executive Vice President & Chief

Credit Head at SBI Global Factors Limited, and previously as Deputy General Manager at SBI. Her deep expertise spans financial systems, risk management, and strategic decision-making.

— A

**Board Committee Keys**

C Chairman M Member

A Audit Committee

N Nomination & Remuneration Committee

S Stakeholders' Relationship Committee

C Corporate Social Responsibility Committee

M Management Committee

I Information Technology Strategy Committee

AL Asset Liability Management Committee

R Risk Management Committee

## CORPORATE GOVERNANCE FRAMEWORK

# Strengthening Value Through Governance

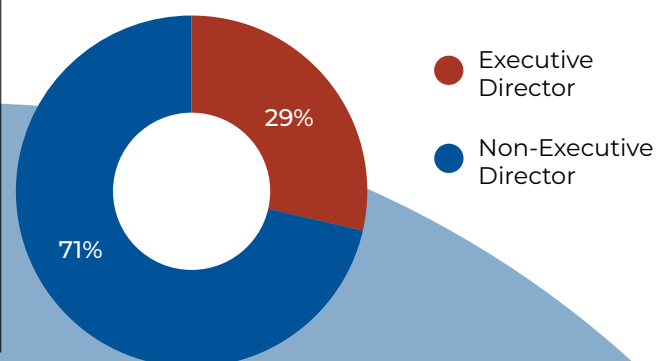
## Overview

At CSL Finance, we uphold the highest standards of corporate governance to foster long-term sustainable value for all stakeholders. Our robust governance framework emphasizes transparency, accountability, and strict adherence to ethical business practices in every facet of our operations.

## Board Composition & Independence

Our Board of Directors is structured to ensure a diverse mix of skills, experience, and perspectives critical to effective leadership. As of FY25, the Board comprises 7 members: 2 Executive Directors (including the Managing Director and Whole-Time Director) and 5 Non-Executive Directors, of which 4 are Independent Directors. This balanced composition strengthens independent oversight, drives strategic decision-making, and promotes sound governance.

### BOD Composition



## Board Committees

CSL Finance has established specialized board committees to ensure focused attention on key governance areas and enhance effective oversight. These include:

### 1 Audit Committee

Oversees financial reporting, internal controls, and audit processes.

### 2 Nomination & Remuneration Committee

Manages board composition, director appointments, and remuneration policies.

### 3 Stakeholders' Relationship Committee

Addresses shareholder grievances and ensures effective communication with stakeholders.

### 4 Corporate Social Responsibility (CSR) Committee

Monitors CSR activities, effective deployment of CSR funds and ensures compliance with statutory requirements.

### 5 Management Committee

Handles day-to-day operational decisions and certain strategic initiatives.

### 6 Information Technology Strategy Committee

Focuses on IT governance and cybersecurity.

### 7 Asset Liability Management Committee

Assists in Balance Sheet planning, avoiding asset-liability mismatch, and strategic management of interest & liquidity risks.

### 8 Risk Management Committee

Develops and monitors risk management policies and frameworks.

CSL Finance's dedication to transparency, ethical conduct, and robust governance ensures sustainable value creation for stakeholders and reinforces our position as a model of responsible corporate citizenship.

## Transparent & Proactive Investor Communication

CSL Finance prioritizes open, transparent communication to foster trust and keep investors fully informed. We engage regularly through:

### 1 Quarterly investor presentations

### 2 Bi-annual earnings conference calls

### 3 Proactive meetings and updates

### 4 Detailed business updates through Annual Report

This multi-channel approach ensures stakeholders remain up-to-date on business performance, strategic initiatives, and financial outlook.

## Dividends & Value Creation

We are committed to balanced value creation — rewarding shareholders via regular dividend payouts while also reinvesting in business growth. CSL Finance has a strong track record of uninterrupted dividend distributions over the last 9 years, highlighting our consistency and resilience across economic cycles.

## Performance Evaluation

An annual evaluation is conducted for the Board, its committees, and individual directors, covering aspects such as composition, effectiveness, and information flow. Feedback from these assessments is used to identify improvement areas and strengthen governance practices.

## Compliance & Best Practices

CSL Finance diligently complies with all applicable regulations, including SEBI's Listing Obligations and Disclosure Requirements, 2015, and other statutory provisions. Regular compliance and disclosure reports are reviewed by the Board to ensure alignment with regulatory mandates. Our governance framework matches best-in-class standards followed by leading Indian corporates, including private sector financial institutions.



## LEADERSHIP TEAM

# CSL's Executive Leadership



**Rohit Gupta**  
Managing Director

**30+**

Work  
Experience

**14+**

Years  
at CSL



**Rachita Gupta**  
Whole-time Director

Ex - Ernst &  
Young

**8+**

Work  
Experience

**7+**

Years  
at CSL



**Naresh Varshney**  
Chief Financial Officer

Ex - RR Finance  
Consultants, Centrum  
Capital & Unicorn

**37+**

Work  
Experience

**10+**

Years  
at CSL



**Amit Kaul**  
Chief Technology Officer

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

**34+**

Work  
Experience

**1+**

Year  
at CSL



**Chandan Kumar**  
Head - Strategy &  
Business

Ex - PNB Housing,  
HDFC, SIB

**23+**

Work  
Experience

**6+**

Years  
at CSL



**Atul Agarwal**  
President - Finance &  
Treasury

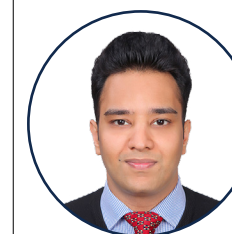
Ex - Paisalo Digital,  
SMC Finance

**21+**

Work  
Experience

**+1**

Year  
at CSL



**Ayussh Mittal**  
President - Audit

**10+**

Work  
Experience

**<1**

Year  
at CSL



**Deepak Sood**  
President - SME

Ex- AU Bank, HDFC  
Bank, Reliance Bank

**28+**

Work  
Experience

**<1**

Year  
at CSL



**Chirag Gupta**  
Credit Head -  
Wholesale

Ex - ICICI Bank, Axis  
Bank, DHFL

**12+**

Work  
Experience

**6+**

Year  
at CSL



**Sachin Shah**  
Zonal Sales Manager -  
West Region

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

**21+**

Work  
Experience

**6+**

Year  
at CSL



**Neeraj Bhati**  
Zonal Credit Manager  
- SME

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

**15+**

Work  
Experience

**1+**

Years  
at CSL



**Ranjan Banerjee**  
Zonal Credit Manager  
- SME

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

**17+**

Work  
Experience

**<1**

Years  
at CSL



**Nikhil Singh**  
VP Business Operation  
& Business Analytics

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

**18+**

Work  
Experience

**3+**

Years  
at CSL



**Saurabh  
Priyadarshini**  
Head - Legal

**12+**

Work  
Experience

**3+**

Years  
at CSL



**Hariom Kumar**  
AVP - HR

Ex - Ujjivan  
Financial Services

**18+**

Work  
Experience

**6+**

Years  
at CSL



**Preeti Gupta**  
Company Secretary

**10+**

Work  
Experience

**4+**

Years  
at CSL

## LETTER TO SHAREHOLDERS

# Strength in Diversification

## Dear Shareholders,

As we reflect on the year gone by, it is evident that FY25 shaped into a period of consolidation and recalibration, particularly in our SME Retail vertical, contrary to our initial expectations at the start of the year. Despite the challenges faced in the SME Retail vertical, our diversified business model helped us withstand pressures in one segment, while continuing to deliver steady performance in another i.e., Wholesale vertical. The year has clearly demonstrated the inherent strength and resilience in CSL's diversified lending model.

While our SME Retail vertical experienced headwinds due to a combination of macroeconomic, regulatory, and structural factors, our Wholesale vertical continued to show healthy growth and profitability — benefiting from a conducive real estate environment in Delhi-NCR region and a strong deal pipeline. In many ways, FY25 reaffirmed the strategic importance of business diversification, allowing us to balance performance across verticals and mitigate segment-specific volatility.



**FY25 reaffirmed the strategic importance of business diversification, allowing us to balance performance across verticals and mitigate segment-specific volatility.**



## A Year of Consolidation in SME Retail

The SME Retail vertical faced a particularly demanding environment in FY25. The year began with a series of seasonal challenges, including a severe heatwave in Northern India, followed by unseasonal heavy monsoons and partial flooding in key Western markets. These disruptions hampered our disbursement and collection cycles during the start of the financial year. Adding to the macro challenges was the union election cycle in 2024, which contributed to temporary market sluggishness and subdued economic activity in many pockets.

More significantly, cautioning commentary from the Reserve Bank of India (RBI) on the unsecured lending sector had a notable impact. Though CSL Finance is focused on secured lending and does not have any exposure to unsecured lending, the RBI's guidance — particularly on target-driven lending and overleveraged borrowers in the unsecured segment — led to a cautious industry-wide sentiment. Many financial institutions, including larger players, became more circumspect in lending, and smaller NBFCs and MFIs faced greater scrutiny. This caution extended indirectly to even secured lenders like CSL Finance.

Additionally, the RBI introduced a notable policy change during the year — requiring loan disbursements to be recognized on the actual fund credit date rather than the cheque issuance or loan sanction date. While this change aligns with long-term transparency of the industry, it took some time to adjust across the industry, including within CSL Finance. The sales team had to be aligned with the policy which hampered business momentum at the start of the year.

Our SME Retail vertical also saw a moderate increase in delinquencies, which was an industry-wide phenomena. This was attributable to the growing stress among overleveraged borrowers, even within some secured segments such as SME & Retail lending. In response, we proactively tightened our credit underwriting policies, adopted a more conservative lending posture, and focused on portfolio resilience over growth. These decisions, though temporarily impacting disbursement volumes, were prudent and in the long-term interest of the company and its stakeholders.

As a result, total ECL provisions and write-offs in FY25 increased, largely due to pressures within the SME Retail portfolio and some impact from our discontinued Suvidha loan product. Nonetheless, we are encouraged by the recovery team's performance, with notable recoveries recorded during the year from previously written-off accounts. We are confident of meaningful recovery continuing over the next 12–18 months, for the accounts that have been written-off in FY25.

Gross Non-Performing Assets (GNPA) remained relatively stable at 0.46% in FY25, compared to 0.44% in FY24. Net NPA (NNPA) increased to 0.34% from 0.25% in FY24, partly due to adjustments in our provisioning policy as per updated RBI guidelines.

During the year, we also executed key structural changes within the SME vertical. These included enhancements to our credit policies, team realignment at senior and mid-management levels, and targeted system improvements to strengthen underwriting discipline and employee productivity. While these transitions contributed to temporary moderation in this vertical's performance, they have laid a strong foundation for sustainable growth going forward.

## A Year of Strength in Wholesale Lending

Amidst these SME Retail headwinds, our Wholesale vertical emerged as a growth engine in FY25. The segment benefited from a favorable macroeconomic backdrop — particularly in the Delhi NCR real estate market — and a healthy deal flow. We witnessed consistent growth in disbursements with robust asset quality across our Wholesale portfolio.

The Wholesale book continued its trajectory of low-risk, high-yield performance, contributing significantly to our overall financial stability and profit metrics. Our asset quality remained pristine, and we encountered no material slippages in this segment during the year.

Owing to both the strong performance in Wholesale and a consolidated posture in SME Retail, the composition of our total AUM shifted temporarily. As of FY25, the AUM mix stood at 34% for SME Retail and 66% for Wholesale, reflecting a 10% shift in favour of Wholesale vertical in FY25. Despite the skew, we remain committed to a long-term AUM mix target that is more evenly balanced, especially with SME Retail growth expected to normalize in the coming year.

## Strategic Learnings and Rejig in SME

FY25's environment presented an opportunity for introspection and course correction in our SME Retail strategy. Based on an in-depth portfolio analysis, we have made targeted refinements to our product mix, customer segments, and operating model.

We have decided to deprioritize loans below ₹5 lakhs due to poor collateral quality and challenges in underwriting. Exceptions for the lower ticket accounts will be considered only in high-ROI segments.



## LETTER TO SHAREHOLDERS (CONT.)

Going forward, our lending focus will center around the ₹7.5 lakhs to ₹50 lakhs ticket size, which is expected to constitute ~90% of our new originations. Within this, we have rationalized our product categories into 3 main offerings:

### 1 LAP-SENP

Loans Against Property for Self-Employed Non-Professionals (₹7–50 Lakhs)

### 2 LAP-SCHOOL

Loans to Educational Institutions in Tier-2 and Tier-3 cities (₹7–50 Lakhs)

### 3 LAP-SALARIED

Loans to Salaried Individuals backed by property collateral (₹2–50 Lakhs)

These revised products will be offered within an ROI band of 16%–22%, calibrated using a matrix that factors in borrower profile, collateral quality, and ticket size. We continue to target a weighted average portfolio yield of approximately 17–18%, which is similar to our existing yields.

In tandem, we have strengthened the vertical's leadership by promoting experienced internal talent, revising team incentives to better align with business outcomes, and prioritizing productivity metrics across roles.

Our credit policies and systems have also been overhauled, with more clearly defined risk parameters, and streamlined management processes.

These strategic recalibrations will position the SME vertical for long-term resilience and profitability.

## Evolving Interest Rate Environment

The monetary policy environment in 2025 witnessed a pivotal shift. The RBI's Monetary Policy Committee (MPC) reduced the policy repo rate by a cumulative 100 basis points across 3 meetings in 2025 so far — 25 bps in February, 25 bps in April, and 50 bps in June — bringing the repo rate to 5.50%.

This shift from a 'neutral' to an 'accommodative' stance reflects the RBI's intention to balance growth and inflation objectives. The benefits of lower cost of borrowing are expected to materialize starting Q1FY26 and further in subsequent quarters.



We are also introducing new loan products at relatively lower ROI to match the rate environment, which may result in some moderation in our average portfolio yields. Nonetheless, we anticipate sustained net interest margins driven by our strong underwriting framework and lower credit costs.

Furthermore, the broader funding environment has turned favorable for small and mid-sized NBFCs, particularly those with secured portfolios. We have maintained healthy liquidity buffers and expect continued access to capital on favorable terms.

## Suvidha Loan Product – Strategic Exit

During FY25, we also concluded our pilot phase for the Suvidha Loan Product - a specialized inventory financing product developed in partnership with a leading steel tube manufacturer. Despite initial promise, the pilot revealed several execution challenges on the ground, including borrower quality and operational scalability.

Given these concerns, we made a strategic decision to wind down the project after our pilot stage. No new loans have been disbursed under this category post-pilot, and all overdue accounts (totaling ₹3.24 Cr at the time) have been fully provided for and written off. Recovery proceedings have been initiated and remain ongoing. At present, we do not intend to relaunch the product in the near term.

## Tech-Driven Execution & Operational Resilience

Over the past few years, we have invested significantly in building a technology-first operational model. Today, CSL operates a near-complete digital lending platform, marked by:

# 100%

Paperless Onboarding

# 30-Minute

Door-to-Login Processing

# 80%

Digital Underwriting & 99% Digital Collections

**Completely Digital Servicing through WhatsApp, Email & Toll-Free Support**

Our proprietary mobile applications for sales, credit, and collections teams have led to marked improvements in TAT (24–48 hours reduction), enhanced fraud controls, and improved credit decisioning.

Further, we upgraded our analytical capabilities, with real-time dashboards, automated incentive management, and deeper RegTech integration for seamless regulatory compliance.

Our API-driven Loan Origination System (LOS) is continuously evolving, enabling seamless loan lifecycle management and partner integrations.

## Strengthening the Branch Network and Operational Model

In FY25, we expanded our branch network significantly from 29 to 43 branches. Looking ahead, we plan to increase our physical presence by 1.5x to reach underserved Tier-2 and Tier-3 geographies.

A hub-and-spoke model has been introduced, with each hub managing 4–6 branches, centralizing credit and operations to optimize costs. This model ensures leaner overheads, better control, and improved field productivity.

We've also deployed targeted performance-linked incentives (PLIs) and productivity benchmarks for front-line teams, ensuring alignment with our growth objectives.

## Outlook for FY26 and Beyond

As we enter FY26, we do so with cautious optimism and renewed focus. Our Wholesale business remains strong and is expected to continue its momentum. SME Retail, having undergone strategic realignment, is poised to return to growth and contribute meaningfully to profitability.

We expect the AUM mix to gradually shift back toward a more balanced mix. Margin and return metrics are likely to improve as SME Retail disbursement volumes pick up, credit costs normalize, and operational efficiencies accrue from the recent investments.

We remain committed to delivering sustainable value to our stakeholders through prudent risk management, technology-led innovation, and customer-centric lending practices.

## In Gratitude

On behalf of the entire CSL Finance team, I would like to thank our shareholders for your continued trust, patience, and support. FY25 was a year of introspection and adjustment, but it also laid the groundwork for durable, long-term value creation. Your belief in our vision empowers us to strive harder, adapt faster, and grow stronger.

Sincerely,

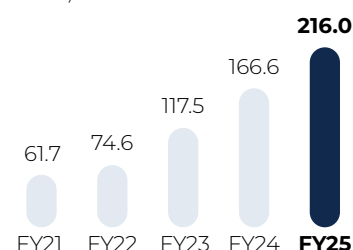
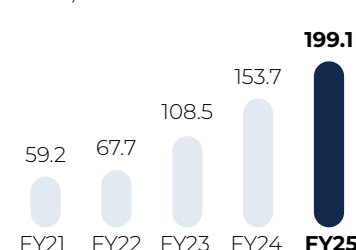
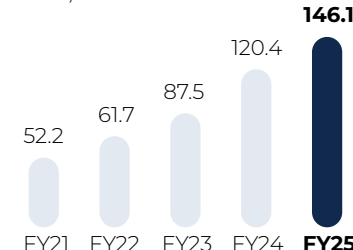
**Rohit Gupta**  
Managing Director

## KEY PERFORMANCE INDICATORS

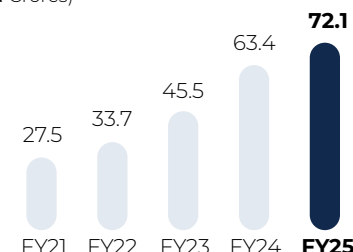
# Delivering progress, year on year

FY25 was a year of consolidation and recalibration, particularly within our SME Retail vertical, which faced a confluence of external challenges and internal transitions. In contrast, our Wholesale vertical continued to perform well delivering healthy growth, robust asset quality, and strong profitability, helping to offset the temporary moderation in SME Retail. Together, these dynamics underscore the strength of our diversified business model, which enabled us to navigate volatility in one vertical while sustaining overall performance.

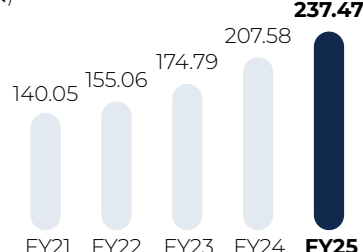
## P&amp;L Metrics

**Total Income**  
(₹ Crores)

**Interest Income**  
(₹ Crores)

**Net Interest Income**  
(₹ Crores)

**PAT**

(₹ Crores)


**Book Value Per Share**

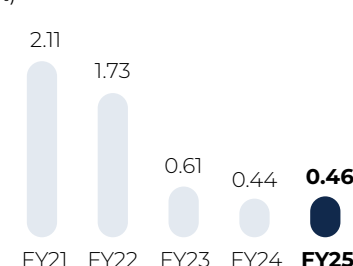
(₹)



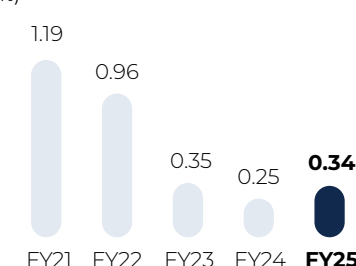
## Asset Quality

**Gross NPA**

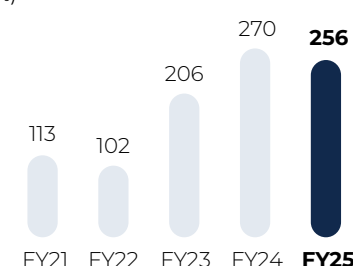
(%)


**Net NPA**

(%)


**Provision Coverage Ratio**

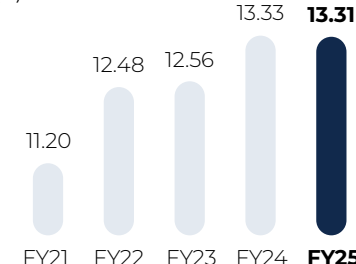
(%)



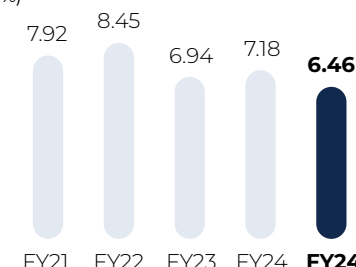
## Capital Return Ratios

**Return on Equity**

(%)


**Return on Asset**

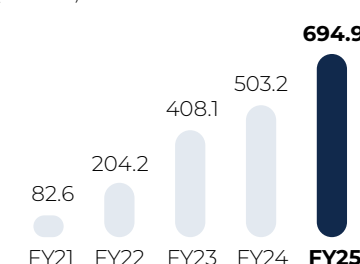
(%)



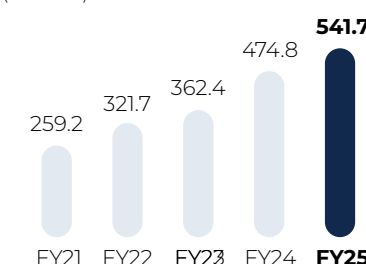
## Equity and Leverage

**Borrowings**

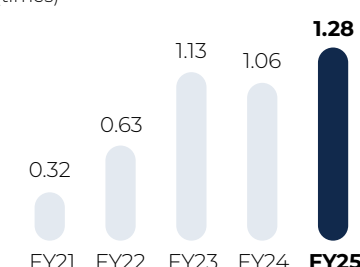
(₹ Crores)


**Net Worth**

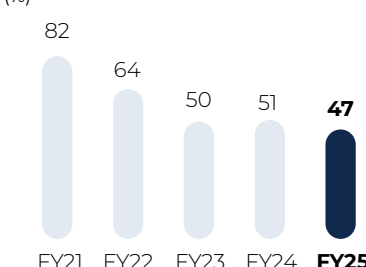
(₹ Crores)


**Debt-to-Equity Ratio**

(times)


**Capital Adequacy Ratio**

(%)





STRATEGIC PRIORITIES & COMPETITIVE STRENGTHS

# CSL's Path to Sustainable Leadership

Earning and retaining customer trust is central to our success at CSL Finance. Our journey is defined by continuous learning and innovation, as we work to scale our operations and deliver greater value to every stakeholder. To achieve this, we have outlined clear strategic priorities and highlighted our strengths, allowing us to capture growth opportunities while effectively managing risk. Our commitment to ongoing improvement and proactive adaptation ensures that we remain leaders in best industry practices, fueling sustainable growth and lasting stakeholder value.

## Strategic Priorities



**1 Branch Expansion & Performance Optimization**

We are executing an ambitious branch growth plan, opening new locations in established and emerging markets — including key economic corridors like the Mumbai-Delhi Expressway, Delhi-Uttarakhand Belt, and Delhi-Punjab GT Road. Alongside expansion, we are optimizing metrics such as assets under management (AUM) per branch and per employee, boosting profitability through cluster-based organization and operational efficiency.



**2 Technology Integration for Enhanced Operations**

We are elevating our operations through integrated technology — strengthening customer onboarding and loan origination with advanced API integrations. Enhanced analytics via real-time dashboards support better decision-making, while revamped Loan Origination Systems (LOS) and new mobility-based collection tools improve efficiency across SME Retail and Wholesale segments.



**3 Focus on Core Competencies**

Our strategic focus remains on our proven strengths: the Wholesale lending segment in Delhi NCR, and the SME Retail vertical with an emphasis on loan ticket sizes between ₹7.5 to ₹30 lakh — a range that will be driving 90% of our incremental disbursements.



**4 Portfolio Diversification & Granularity**

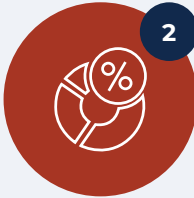
We are progressively shifting our portfolio towards SME Retail to lower concentration risk, enhance diversification, and secure additional funding opportunities. This focus is expected to result in faster AUM growth for SME Retail, transitioning the overall book balance in its favor.

## Competitive Strengths



**1 Deep Domain Expertise**

Our strategy is rooted in a profound understanding of our chosen markets and sub-segments. By concentrating on our core competencies and thoughtfully branching into adjacent domains, we maintain strong risk controls and work towards substantial market share in select segments.



**2 Niche Focus & Tailored Solutions**

We address traditional credit gaps in the market by serving both underserved and underbanked small businesses and real estate developers with customized products. Our specialty focus and adaptive approach help us excel in niche segments, achieving respectable returns on capital and equity.



**3 Fortress Balance Sheet**

Financial strength is a cornerstone of our organization. As a well-capitalized lender, we uphold robust asset-liability and cash flow management, ensuring high capital adequacy and prudent leverage. Our disciplined risk framework supports a resilient, high-quality lending book.

## EMPLOYEE ENGAGEMENT AND DEVELOPMENT

# Building Bonds and Cultivating Leaders

At CSL Finance, our commitment to our people is the foundation of our success. We believe that a thriving, empowered, and engaged workforce is the catalyst for organizational excellence. To this end, we have crafted a comprehensive approach to employee engagement and development that cultivates an inclusive, dynamic, and growth-oriented workplace, where every individual feels valued, motivated, and equipped to realize their full potential.

## Fostering a Great Workplace Culture

CSL Finance places a strong emphasis on nurturing a supportive, inclusive, and empowering environment for our team members. We recognize that a vibrant culture goes beyond competitive compensation and benefits. Our focus is to foster collaboration, continuous learning, and mutual respect across all levels of our organization. Initiatives to promote this culture include regular employee celebrations: ranging from monthly birthday gatherings and festival events to quarterly team lunches. These activities transcend departmental boundaries, break silos, and foster a strong sense of community and camaraderie.

We further drive engagement through the R&R Awards, recognizing high performers, whether it's the Best Branch Manager, Best Credit Manager, or Employee of the Month. Spur-of-the-moment treats and activities by the management inject fun and energy into the workplace, offering employees opportunities to unwind and strengthen social bonds.

CSL promotes great work life balance and follows some of the best people policies in the industry.

## Workforce Overview & Strategic Expansion

FY25 marked a period of growth and deeper geographic reach for CSL Finance. With headcount rising from 389 to 433, a net growth of 11%. Our targeted hiring strategy ensured that business-critical and support functions were well-resourced to align with our expansion goals. Notably, 13 new branches were launched across high-potential markets in Rajasthan, Gujarat, Uttarakhand, Uttar Pradesh, Haryana, and Delhi, further enhancing our accessibility and operational coverage.

## Championing Diversity & Inclusion

Fostering diversity and inclusion remains a critical priority. We made significant progress in increasing female representation within our workforce, with a 32% YOY rise in female employee count. Moreover, female attrition was contained at 8%, underscoring our supportive, inclusive policies and practices that empower women to pursue long-term careers with us. Our evolving approach involves intentional hiring and the continuous refinement of policies to ensure that all employees, regardless of gender or background, are provided with equal opportunities to grow and lead.



## Talent Development, Recognition, and Internal Growth

At CSL Finance, we recognize the value of nurturing talent from within. We have defined a robust framework for performance recognition and structured career advancement. Transparent progression pathways affirm our belief in developing future leaders internally and motivating employees to exceed expectations.

Leadership stability forms the backbone of our strategic vision. With leadership attrition contained at just ~1.2%, we benefit from a strong, aligned senior management team that upholds our organizational values and drives our long-term vision.

## Learning & Development: Building Capabilities for Tomorrow

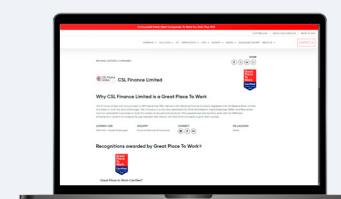
Continuous upskilling is a cornerstone of our employee value proposition. Our learning strategy encompasses regular product and policy training, monthly HR inductions to familiarize new hires with Company culture and values, and specialized programs for new product launches or market expansions. Organization-wide initiatives have included:

- 1 Soft Skills & Sales Training:** Both online and in-person, tailored for various roles and locations.
- 2 Leadership Development:** Through performance coaching, skip-level reviews, and structured feedback.
- 3 Employee Wellness:** Including mental health programs, health check-ups, and wellness sessions.
- 4 Compliance & System Training:** Ensuring teams are proficient with complete product, sales, compliance, systems and regulatory requirements. Comprehensive induction training for new hirings.
- 5 Onboarding Experience:** A personalized welcome kit, structured calls for new joiners, and a robust onboarding module in development.

Additionally, critical HR processes have been digitized, from expense reimbursement to document management, dramatically improving efficiency and employee experience.

## Great Place to Work® Recognition

The culmination of our efforts in employee engagement and development has been recognized with the prestigious 'Great Place to Work®' certification. This industry benchmark not only affirms our dedication to employee well-being and professional growth but also strengthens our reputation as a preferred employer, helping us attract and retain top talent.



Why CSL Finance Limited is a Great Place To Work



## Looking Ahead

As we move forward, we remain committed to advancing our culture of engagement, innovation, and inclusion. By continuously investing in the professional growth and well-being of our people, we aim to reinforce our employer brand and drive sustainable, long-term success for CSL Finance. Our people will always be our greatest asset, and the driving force behind all that we achieve.



## CORPORATE SOCIAL RESPONSIBILITY

# Building Beyond Business

At CSL Finance, Corporate Social Responsibility (CSR) stands as an important facet of our business philosophy. Far beyond being a charitable addendum, CSR is intertwined with our organisational ethos. We recognize that our true success is intrinsically linked to the prosperity and wellbeing of the communities we serve. Our commitment is to foster a mutually beneficial relationship where progress, empowerment, and opportunity ripple into the lives of thousands, catalyzing both community upliftment and Company growth.

## The CSL Foundation: A Platform for Impact



Launched in 2021, the CSL Foundation, founded by Rohit Gupta & Rachita Gupta, functions as the primary engine driving our CSR initiatives. Our vision is clear: to strengthen communities by empowering disadvantaged children and women through education, skill development, and healthcare awareness. Every initiative under the Foundation is tailored to address pressing societal needs, especially gaps in basic education, women's empowerment, and access to quality healthcare. Our programs operate year-round, reflecting a steadfast dedication to making lasting, measurable changes.



## Focus Areas and Flagship Initiatives

1

### Education: Project Sakshar

Project Sakshar exemplifies our commitment to child education and holistic development. Through dedicated schools, Sakshar Niketan, we provide free education from nursery to 8th grade, inclusive of uniforms and nutritious meals to remove barriers for underserved families. Education at Sakshar is dynamic: hands-on, interactive teaching methodologies are paired with enrichment activities such as weekly sports, yoga sessions, drawing and craft workshops, educational excursions and workshops. The curriculum is designed to both prepare students for a digital, globalized world and instill vital life skills.

## 250+ students

With over 250 children now thriving under the program. Faculty expansion and the hiring of a specialist mentor ensure academic quality remains high, while free distribution of books, learning kits, and school supplies guarantee inclusivity.



### Student Spotlight:

- Ashish and Alakh are brothers enrolled at Sakshar Niketan who faced adversity at a young age, having lost their father to kidney failure. Despite significant financial challenges, their mother remained determined to provide them with a quality education.
- Ashish, 13, is a talented singer who regularly showcases his skills in the school's cultural programs. Alakh, 11, is deeply motivated and aspires to join the army one day.
- Since 2022, the CSL Foundation has supported both brothers in their educational journey. With this assistance, Ashish and Alakh have continued to excel both academically and personally.

2

### Women Empowerment: Project Naritva

Project Naritva is our flagship initiative dedicated to women's advancement. We believe that empowering women catalyzes societal change. Our multi-pronged approach comprises skill-building workshops, vocational training, and financial literacy seminars that enable women to pursue economic independence and entrepreneurial opportunities.

Health and hygiene awareness is another cornerstone. We run engaging health education programs around menstrual health, using relatable resources such as the "Menstrupedia" and "Gullu" comic books. In partnership with local healthcare centers, we regularly distribute free sanitary napkins to promote dignity and hygiene. One unique aspect of Project Naritva is facilitating mass weddings for socially marginalized women, thereby supporting them in achieving social acceptance and stability. Our annual women's health camps offer free check-ups, breast cancer screening, and hygiene workshops, reaching over 200 women this year alone.



We conducted a health and hygiene awareness drive at our institute to emphasize the importance of proper hygiene, healthy eating, and maintaining clean surroundings.



## CORPORATE SOCIAL RESPONSIBILITY (CONT.)

3

**Healthcare:  
Project Arogya**

Project Arogya addresses critical healthcare needs in resource-starved communities. Regular medical camps are organized, delivering essential medications, basic diagnostics, and preventive care for common health issues. Recognizing the growing importance of mental wellbeing, the project includes counseling sessions and psychological services. We also run targeted campaigns such as “Empower Women, Save Lives,” which focuses on cervical cancer awareness, early detection, and mobilizing community action.

**Commitment to Sustainable Development**

Through each of these focused initiatives, CSL Finance reaffirms its belief that business growth and societal good are not mutually exclusive. Rather, by investing in child education, women’s empowerment, and healthcare access, we bridge gaps of inequality and contribute to India’s sustainable development goals. Our aim is not only to address immediate, tangible needs but also to ignite ambition, confidence, and self-reliance in every beneficiary we serve.

**Sustained Growth,  
Measurable Results**

The 2024–2025 academic year at Sakshar Niketan highlights our approach to holistic child development, combining academics with yoga and physical exercise, cultural celebrations, environmental education through initiatives like Green Day, and creative events that nourish mind, body, and spirit. Our student support system is robust, ensuring no child is held back due to economic hardship.

**Partnered with Art of Living:**

We also partnered with the Art of Living Community to support the holistic development of our students. This collaboration introduced children to interactive workshops focusing on environmental awareness, personal hygiene, yoga, and simple breathwork. Through engaging activities led by experienced instructors, students learned valuable techniques to improve focus, manage stress, and develop healthy daily habits. By integrating these practices into school life, we aim to nurture not just academic growth, but also mindfulness, resilience, and a sense of responsibility toward their surroundings.

Project Naritva’s vocational and health programs are expanding in reach and impact, with new initiatives planned for financial literacy and digital skills training. In healthcare, Project Arogya continues to innovate, continuously identifying new avenues for community medical outreach and mental health support.

**A Culture of Gratitude,  
A Vision for Tomorrow**

None of these achievements would be possible without the passion of our teachers and staff, the faith of our partners, and the trust placed in us by families and volunteers. To all, we express our deepest gratitude: your commitment enables us to convert challenges into stories of hope.

As we look ahead, CSL Foundation is steadfast in its resolve to broaden the horizon of our social responsibility efforts. We are actively exploring innovative, sustainable solutions to further our mission. Every child inspired, every woman empowered, and every family uplifted brings us closer to a future where equality is possible and success is shared by all. Through these endeavours, CSL Finance reaffirms its promise: to create shared value and build a brighter, more equitable tomorrow.





# Management Discussion and Analysis



## Indian Economy

In 2025, India's economy stands out as a powerful example of resilience and dynamism amid a challenging global landscape. The country retains its status as the fastest-growing major economy, with real GDP growth estimated at 6.4% for FY25 and projections for FY26 ranging from 6.3% to 6.8%. This sustained momentum places India ahead of most global peers and aligns closely with its own decadal average, despite disruptions in global trade and ongoing geopolitical tensions. Growth in India is broad-based, with agriculture, industry, and services all making strong contributions. The agricultural sector is set to recover, forecasting a 3.8% uptick owing to record Kharif crop yields and robust rural demand. Meanwhile, the industrial sector is projected to expand by 6.2%, propelled by vigorous construction activity, solid utility performance, and a manufacturing base proving resilient in the face of weak global demand. The services sector remains the key growth driver, expanding at 7.2% and now representing over 55% of total Gross Value Added. Notably, the IT, finance, and hospitality segments have recorded impressive growth in exports. India's industrial performance is further bolstered by solid gains in steel, automobile, and electronics manufacturing, with electronics output rising rapidly.

Significant progress has also been made in inflation management, with headline retail inflation declining from 5.4% in FY24 to 4.9% by the end of 2024, largely driven by effective government interventions and stronger food supply chains. The Reserve Bank of India expects inflation to approach its 4% target in FY26, fostering a stable environment for both consumers and investors. Fiscal discipline remains a top priority, with government policies emphasizing capital expenditure, particularly in infrastructure development. The health of the banking sector has improved considerably, as gross non-performing assets have fallen to a historic low of 2.6%. The credit-to-GDP gap has narrowed and the insurance market continues to expand robustly year-on-year.

India's external sector has demonstrated remarkable strength in the face of global challenges. Exports of both goods and services continue to grow, foreign direct investment inflows are rising, and remittances from the Indian diaspora play a crucial role in narrowing the current account deficit. As of December 2024, the country's external debt-to-GDP ratio is a modest 19.1%, one of the lowest among emerging markets, highlighting the soundness of India's macroeconomic fundamentals.

Several key factors underpin this positive economic trajectory. Domestic consumption remains buoyant, reflecting strong rural recovery and steady urban spending. Ongoing public investment in infrastructure and manufacturing, alongside improving financial sector health and greater credit availability, has further boosted growth. The digital economy is expanding rapidly and is expected to surpass \$1 trillion by 2025, enhancing India's

integration into the global digital marketplace. However, challenges persist. Global uncertainties, including trade disruptions, geopolitical instability, and commodity price volatility, continue to pose risks. Inflationary pressures from food price swings and supply chain constraints require vigilant management. Moreover, structural reforms in taxation, labor laws, and governance are necessary to sustain high growth levels.

Looking forward, the outlook for 2025-26 remains optimistic, with the Reserve Bank of India projecting real GDP growth at 6.5%. The government's sustained focus on fiscal consolidation, capital investment, and structural reforms is expected to maintain this growth momentum. Continued efforts to control inflation, boost productivity, and foster innovation will be vital to realizing the long-term vision of a developed India by 2047. Ultimately, India's economic trajectory in 2025 is defined by its ability to navigate global headwinds, leverage domestic strengths, and enact policy reforms that promote inclusive and sustainable growth — cementing its role as a leading force in the global economy.

*Source: Economic Survey of India 2024-25, RBI*

## NBFC Sector

India's NBFC sector is currently navigating an important transitional period, marked by growth, shifting funding patterns, and emerging challenges in asset quality and profitability. It is evident that after a period of strong double-digit expansion, the NBFC sector's growth is now moderating. The asset under management (AUM) growth, for instance, is expected to slow to about 13-15% in FY25 from the impressive 18% logged in FY24. As of March 2024, total NBFC AUM approached ₹47 trillion, projected to cross the ₹50 trillion milestone by FY25 and exceed ₹60 trillion by FY26, highlighting the sector's deepening credit intermediation role within the Indian economy.

NBFCs have played a pivotal role in retail lending, driving credit expansion especially in segments like consumer finance, MSME lending, and vehicle loans. Retail assets comprised 58% of NBFC credit as of December 2024. However, the frenetic retail lending of the post-pandemic period has also led to caution, as concerns rise about borrower overleveraging and the sustainability of such growth rates. This, coupled with a high base effect, suggests that retail credit growth is expected to slow somewhat in the near term.

A significant challenge confronting NBFCs is their access to funding. The sector's projected need for incremental debt in FY25 stands at ₹5.6-6 trillion to sustain the anticipated pace of expansion. Over recent months, direct bank credit flow to NBFCs has faced constraints, especially following the tightening of bank lending norms. This has forced NBFCs to diversify their funding bases, increasingly tapping capital markets for securitisation and loan



## MANAGEMENT DISCUSSION AND ANALYSIS (CONT.)

sell-downs, while also exploring new avenues like private equity and venture capital. As a result of these funding headwinds and the shift toward more diversified sources, the average cost of funds for NBFCs is set to rise by 20–40 basis points in FY25. Despite these pressures, the sector remains largely well capitalised.

Asset quality is now in sharper focus, after a period of rapid portfolio expansion. Early warning signals are emerging, particularly in unsecured lending, whose share in NBFC AUM increased from 7% in 2021 to 11% in March 2024. Gross stage 3 loan ratios, an indicator of stressed assets, are expected to deteriorate by 30–50 basis points in FY25 for NBFCs (excluding housing and infrastructure financiers). While asset quality stress is most pronounced in retail lending, NBFCs focused on housing finance and infrastructure are comparatively better placed, with expectations of slight improvements in their portfolios.

Profitability, meanwhile, is set to come under pressure. Rising funding costs, intensifying competition, and asset quality concerns are likely to erode the net profitability of the sector (excluding housing and infrastructure NBFCs) by 25–45 basis points versus the previous year. However, there are also pockets of strong growth — such as the small-ticket loan against property (LAP) segment, where AUM reached an estimated ₹1 trillion by March 2024. This segment, largely serving MSMEs and self-employed borrowers, is expected to expand at 20–25% annually for the next five years, though it is not without operational and recovery risks.

On the regulatory front, authorities have introduced more stringent capital, liquidity, and governance requirements, ushering in a more risk-sensitive and resilient operating environment for NBFCs. The sector is also witnessing increased innovation and collaboration, with NBFCs engaging in co-lending with banks and tying up with asset reconstruction companies — enabling them to diversify funding and expand into underserved markets.

In summary, while India's NBFCs face immediate headwinds in terms of slower growth, funding constraints, asset quality risks, and margin pressures, the sector remains resilient and vital to the country's financial inclusion and credit delivery efforts. Continued innovation, prudent regulation, and capital strength provide a stable foundation for NBFCs as they navigate a changing landscape and contribute to India's broader economic ambitions.

Source: ICRA, KPMG

## NCR Real Estate

## Residential Segment

After a period of sustained growth since 2020, the National Capital Region (NCR)'s residential real estate market experienced a strategic pause in H2 2024. Developers launched 30,119 housing units during this period, carefully aligning new offerings with evolving buyer preferences and upcoming infrastructure projects. While sales moderated slightly to 28,656 units, the market's core fundamentals remain robust — demand for upscale living continues to define NCR's appeal among homebuyers seeking lifestyle upgrades and solid investment avenues.

Gurugram reaffirmed its position as the dominant micro-market, comprising 51% of NCR's launches and 49% of its sales during H2 2024. The area's growing attractiveness stems from infrastructure advancements like the ongoing development of the Dwarka Expressway and other key connectivity projects such as the Southern and Central Peripheral Roads. Premium projects catering to high-net-worth individuals, particularly in emerging pockets, have driven both launches and sales.

Noida and Greater Noida accounted for 33% of the region's total sales. Improved buyer sentiment, buoyed by government-backed dispute resolution mechanisms and revived infrastructure drives — like the Noida International Airport and expanding metro connectivity — boosted confidence, especially in Greater Noida. Conversely, the pace of new launches in Noida remained subdued, a consequence of rising construction expenses and a cautiously optimistic stance from developers.

Ghaziabad maintained a steady performance, attracting 13% of total sales in H2 2024. Affordability and enhanced access via NH-24 and the Delhi-Meerut Expressway have made it a favored destination for mid-income home seekers. In contrast, Delhi and Faridabad contributed less than 6% to total sales, largely because of limited land availability and a scarcity of large new developments. It's notable that over 38,000 housing units launched by the Delhi Development Authority (DDA) — in locations like Dwarka, Jasola, Rohini, and others — were not factored into these figures, even though they are a major source of new supply.

The rise of premium housing has become a key trend: homes priced above INR 10 mn made up 88% of sales, representing 30% year-over-year growth. Affluent buyers are driving demand for larger, amenity-rich dwellings. Most transactions occurred within the INR 10-50 mn range, reflecting a shift in market focus towards luxury living. The affordable (<INR 5 mn) and mid-segment (INR 5-10 mn) categories, however, saw muted absorption, accounting for less than 5% of sales due to higher EMIs and borrowing costs.

NCR's unsold inventory edged up 3% YoY to 106,652 units in H2 2024. While this uptick results from the increased pace of launches, it also indicates slow absorption in the budget and mid-market brackets. Premium and luxury segments, conversely, are seeing healthier quarters-to-sell (QTS) metrics (4.2 for INR 20-50mn and 3.0 for INR 50-100 mn), while affordable inventory faces protracted challenges (QTS of 23.6).

Residential prices climbed 6% YoY, reaching an average of INR 54,530 per sq m (INR 5,066 per sq ft). Prime locations like Dwarka in Delhi and Golf Course Extension Road in Gurugram experienced notable price growth, although persistent affordability concerns for mid-income buyers may moderate future momentum. The market is further shaped by strategic infrastructure investments, including the Delhi-Mumbai Expressway, Regional Rapid Transit System (RRTS), and airport projects, which are unlocking growth in peripheral corridors.

NCR's residential sector remains investment-oriented, with speculative activity occasionally influencing trends. Looking forward, cautious growth is likely, with developers emphasizing premium and mid-segment housing in well-connected areas. Market resilience will depend on regulatory stability, accessible financing, and the timely delivery of major infrastructure.

## Office Segment

NCR's office real estate sector witnessed an exceptional surge in 2024, buoyed by strong domestic economic fundamentals and renewed corporate activity. Total office space leasing reached 1.2mn sq m (12.7mn sq ft) — a 25% jump over 2023. H2 was especially active, delivering 0.7mn sq m (7mn sq ft) in transactions and a 39% YoY increase.

Gurugram led the region, capturing 64% of leasing activity. Landmark locations such as DLF Cyber City, Golf Course Extension Road, and Udyog Vihar continued to attract diverse occupiers. Noida followed with strong demand focused around prime expressway sectors. Delhi's Secondary Business District (SBD) also saw rising transaction volumes as companies prioritized accessibility and business infrastructure.

New office completions totaled 0.5mn sq m, a 20% YoY decline, yet market vacancy rates dropped sharply by 395 basis points to 8.4%. The improved absorption underscores a clear tilt toward high-quality, ESG-compliant spaces, with India-facing businesses responsible for 55% of leasing, flexible space operators 26%, and Global Capability Centers (GCCs) 11%.





MANAGEMENT DISCUSSION AND ANALYSIS (CONT.)

Average office rents rose 3% YoY to INR 944.9 per sq m per month (INR 87.8 per sq ft), with Gurugram Zone A and SBD Delhi leading the upward trajectory. Such increases are primarily a function of persistent demand in key micro-markets outpacing new supply.

The outlook for NCR’s office sector remains optimistic, propelled by continuing infrastructure upgrades — including mega-projects like the ‘New Noida’ city initiative and the completion of expressways. While global economic uncertainties and regulatory delays pose risks, the market is expected to see further growth as occupiers prioritize sustainable, high-quality workspaces and long-term lease strategies.

*Source: Knight Frank*

**India MSME Sector**

The Micro, Small, and Medium Enterprise (MSME) sector continues to be a pivotal engine for India’s economic growth. In FY25, it demonstrated both resilience and areas for caution, amid evolving credit dynamics, asset quality improvements, growing financial inclusion, and reinforced policy support.

As of March 2025, the MSME sector’s outstanding commercial credit portfolio surged to ₹35.2 lakh crore, reflecting a robust 13% year-on-year (YoY) expansion. This marks ongoing confidence from lenders and borrowers in the sector’s prospects. Despite this, credit trends became nuanced over the year. While overall commercial credit supply grew by 3% YoY, the last quarter (Jan–Mar 2025) saw an 11% YoY decline in new originations. This retreat—most pronounced among private banks (-14% YoY, especially in medium-to-large loan segments): suggests a more conservative stance from lenders, likely due to external uncertainties and recalibrated risk strategies.

Credit demand, however, remained strong. Loan enquiries grew 11% YoY in the final quarter, indicating MSMEs’ ongoing optimism and intent to expand, even as lenders tightened their approval norms.

A standout positive in FY25 was the significant enhancement in asset quality. Overall MSME portfolio delinquencies dropped to a five-year low of 1.79% (down 35 basis points YoY), underscoring better lending practices, improved risk assessment, and more vigilant portfolio monitoring. Private banks posted the healthiest portfolios, with delinquencies at just 1.2%, compared to 2.1% for public sector banks. This reflects differing lending philosophies, with private banks favoring high-quality borrowers and refined risk models.

However, early delinquencies increased in the sub-₹10 lakh category, a segment dominated by micro-enterprises, suggesting heightened vulnerability at the lower end. This highlights the need for more rigorous monitoring and tailored support for very small businesses, especially during economic shocks.

MSMEs continued to be instrumental in deepening financial inclusion. New-to-Credit (NTC) borrowers (those accessing formal credit for the first time) constituted 47% of new loan originations in Jan–Mar 2025, a slight dip from 51% in the previous year, but still significant. Public Sector Banks led the NTC segment, accounting for 60% of such originations, a testament to their alignment with government inclusion mandates.

Yet, a sizable gap persists. Of the 6.35 crore registered Udyam MSMEs, only 3.68 crore have accessed formal finance, leaving 2.67 crore on the sidelines. This gap represents a prime opportunity for lenders to expand outreach while advancing national financial inclusion objectives.

Across sectors, trade accounted for 53% of NTC borrowers, while manufacturing notched the strongest growth in new NTC accounts (up 70% YoY), reflecting shifting industry dynamics.

Manufacturing remains the largest sector by origination value (34%), though its share has declined, indicating the rise of other industries. Interestingly, while manufacturing accounts for only 23% of origination count, its share by value is larger, reflecting higher average ticket sizes.

Professional and Other Services have grown steadily now constituting 36% of loans by value, up 5 points in four years, mirroring India’s tilt towards a services-driven economy. Meanwhile, the trade sector remains vibrant, especially in the ₹1-10 crore exposure segment, spurred by formalization and priority sector norms.

Geographically, credit remains concentrated: Maharashtra, Gujarat, Tamil Nadu, Uttar Pradesh, and Delhi together accounted for 48% of credit origination, in line with their economic clout. Maharashtra maintains leadership with a manufacturing and private bank focus; Gujarat leads in manufacturing concentration (53% of loans); and Tamil Nadu’s Tirupur cluster is a standout for manufacturing and private banking. Uttar Pradesh, with 68 lakh registered MSMEs, has untapped potential, especially in cash credit and overdrafts, and exhibits diverse lender participation.

Government initiatives, particularly CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises), have been transformative. In FY25, guarantees covered 27 lakh beneficiaries for ₹3.06 lakh crore (a 51% YoY increase), broadening coverage, lowering fees, and targeting women-led and service enterprises. Policy changes, such as increasing the guarantee cap and expanding eligible business activities, have deepened impact. Automation and improved claim settlement have further boosted system efficiency.

On the technology front, lenders adopting integrated assessments (evaluating both individual and business profiles) saw borrower performance improve by 40%, signaling the benefits of holistic, data-driven underwriting.

Despite solid progress, the moderation in credit supply late in FY25 signals external risks. Early stresses in low-ticket lending and the enduring gap in formal credit access warrant targeted interventions. Emphasis must be placed on bringing the credit-excluded MSMEs into the fold, enhancing risk monitoring, and supporting micro-enterprises’ resilience.

**Company Overview**

Established in 1992, CSL Finance Limited is a Non-Banking Financial Company (NBFC) that has steadily broadened its offerings to become a full-service financier for Small and Medium-sized Enterprises (SMEs), as well as both real estate and non-real estate corporations. The Company is deeply committed to addressing the unique financial needs of small businesses, especially those with limited access to traditional banking services. To serve these underserved and unbanked segments, CSL Finance has developed a comprehensive suite of financial products designed to address a range of capital requirements.

CSL Finance stands out for its focus on supporting the underbanked and unbanked small business sector, delivering a wide variety of tailored financial solutions. The Company leverages alternative data and robust underwriting practices to simplify the loan approval process, ensuring that access to credit is both quick and straightforward.

**Business Verticals**

**SME Retail Lending**

The SME Retail Lending division at CSL Finance is committed to serving the financing needs of SMEs and MSMEs that are often overlooked by traditional lenders. It provides secured, collateral-backed loans using a forward-thinking approach that relies on alternative data rather than conventional banking and lending scorecards. The underwriting process evaluates various elements, including operational performance, cash flow, and business history, to better understand the borrower’s profile. After thorough due diligence, the division promptly disburses small, flexible loans customized for the unique needs of SMEs and entrepreneurs. These financial solutions are extended across sectors such as education, healthcare, agriculture, and FMCG trading, and are also available to salaried professionals with restricted access to traditional credit facilities.

**Wholesale Lending**

The Wholesale Lending division at CSL Finance offers specialized loan products to real estate developers in the NCR region, catering mainly to group housing and plotted development projects. These loans are backed by collateral from the completed or upcoming projects themselves. CSL Finance has introduced distinct loan categories to suit different project requirements, including Affordable Group Housing, Mid-Income Group Housing, and Small Builder Floors (G+4 buildings). The company’s lending strategy emphasizes projects where developers commit

substantial capital, thereby mitigating execution risks and ensuring a more secure financial ecosystem for all stakeholders.

**FY25 Performance Overview**

Despite facing external challenges and undergoing internal transitions within the SME Retail lending segment, CSL Finance maintained strong financial performance throughout the year. Assets Under Management (AUM) rose from ₹1,030 crore in FY24 to ₹1,195 crore in FY25 — a year-on-year growth of 16%. The loan book expanded by 25% YOY to ₹1,157 crore in FY25, driven primarily by growth in the Wholesale segment, which offset the softer performance in SME Retail.

The increase in AUM supported higher interest income, contributing to a 30% increase in Total Income, which reached ₹216 crore for the year. Net Interest Income grew by 21% to ₹146 crore. Consequently, Profit After Tax (PAT) climbed 14% year-on-year to ₹72 crore. Robust expansion in the Wholesale segment led to a 10% increase in its share of the AUM mix. Operational capabilities were further enhanced with the workforce rising 9% to 460 employees by the end of FY25 and the opening of a record 14 new branches. The number of loan accounts in the SME Retail segment (excluding MSL) grew by 9%, up from 2,814 in FY24 to 3,063 in FY25. Additionally, extensive training and transition initiatives remained a focus, and 9 new lending partners were onboarded during FY25, bringing the total to 32 as of March 31, 2025.

The company experienced a slight impact on asset quality due to increased slippages in the SME Retail segment during FY25. As a result, Gross Non-Performing Assets (GNPA) rose marginally to 0.46% (from 0.44% in FY24), while Net Non-Performing Assets (NNPA) increased to 0.34% (versus 0.25% the previous year).

Return on Assets (ROA) stood at 6.46% in FY25, compared to 7.18% in FY24, while Return on Equity (ROE) was 13.31%, marginally lower than 13.33% last year.

**Outlook**

Looking ahead, CSL Finance remains cautiously optimistic about the upcoming financial year. The Wholesale business continues to display resilience and is expected to sustain its positive momentum. Following strategic realignment, the SME Retail segment is set for a return to growth and is anticipated to make a significant contribution to overall profitability.

Management expects the AUM mix to gradually shift toward a more balanced profile. Margins and returns are likely to improve as SME Retail disbursements gain traction, credit costs stabilize, and operational efficiencies emerge from recent investments. CSL Finance remains committed to generating sustainable value for stakeholders through prudent risk management, technology-driven innovation, and a strong focus on customer-centric lending practices.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT.)

Risks and Concerns

CSL Finance maintains vigilant oversight of both external and internal risks to ensure robust mitigation strategies are in place. This proactive approach enables the company to effectively manage emerging threats, capitalize on new opportunities, and respond swiftly to challenges. The principal risks and concerns currently identified are:

- 1
- A potential slowdown in the global or Indian economies, possibly triggered by heightened geopolitical tensions.
- 2
- Unexpected increases in interest rates.
- 3
- A potential downturn in the real estate sector, which may impact collections and loan book growth in the Wholesale lending division.
- 4
- Difficulties in accessing funds at competitive borrowing costs, which could influence profitability and hinder growth objectives.
- 5
- Execution risks associated with newer business segments such as SME Retail.

Through continuous monitoring of these risks, CSL Finance is committed to proactive risk management and seeks to sustain financial strength while pursuing opportunities for long-term growth.

Human Resources

CSL Finance considers its workforce as the cornerstone of its ongoing success. The well-being and motivation of employees are recognized as direct drivers of organizational productivity, efficiency, and overall performance. The company strives to nurture a positive, supportive work environment that addresses employee needs and cultivates a strong sense of belonging and dedication.

To empower, engage, and appreciate its staff, CSL Finance has implemented various initiatives, including:

To empower, engage, and appreciate its staff, CSL Finance has implemented various initiatives, including:

- Monthly birthday celebrations
- Festival observances
- Quarterly team lunches
- Rewards and Recognition (R&R) awards
- Surprise treats

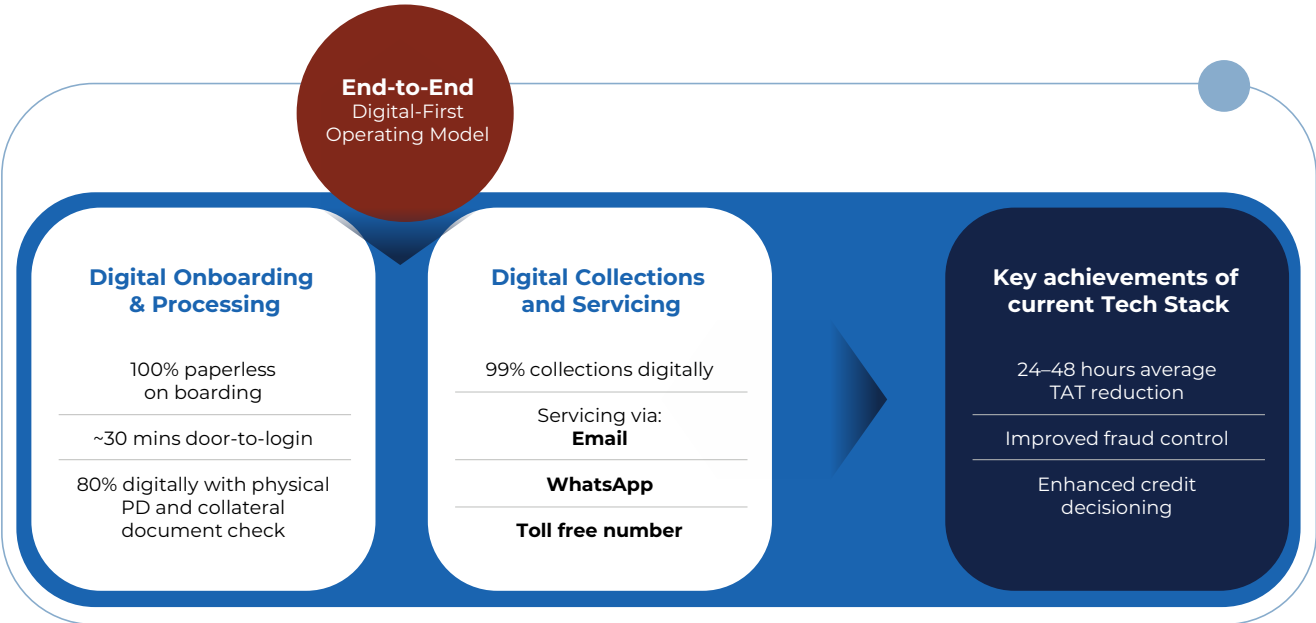
As of March 31, 2025, CSL Finance employed a team of 460 skilled and dedicated professionals.

CSL's Tech Stack

In today's fast-paced technological environment, utilizing its extensive potential to improve organizational efficiency is essential for all companies. At CSL Finance, we understand this necessity and have concentrated our efforts on capitalizing on technology's significant advantages across different operational areas.

Overview

CSL Finance operates on a robust, digital-first, API-driven technology stack tailored to maximize operational efficiency, scalability, and compliance. By adopting a fully digital onboarding and processing approach, CSL achieves end-to-end paperless customer journeys, resulting in significant reductions in turnaround time (by 24–48 hours) and lowering operational overheads. About 80% of onboarding is managed digitally, with only specific physical checks required for collateral documentation and personal discussions.



Core Features of CSL's Tech Stack

- 1
- Modular API-First Architecture**  
CSL's stack is designed around modular APIs, providing ease of integration with third-party systems and future-ready scalability. This enables rapid deployment of new products, facilitates ecosystem partnerships, and ensures compliance with evolving regulations.
- 2
- Digital Onboarding & Processing**  
Customer onboarding is efficient and nearly instantaneous—averaging just 30 minutes from the first interaction to login. The process features multi-layered verification, including ID, bank, geo-location, and criminal checks, supporting robust KYC and fraud control.
- 3
- Hybrid Credit Decisioning**  
CSL deploys a hybrid credit decisioning engine that utilizes bureau data, alternative data sources, and real-time risk algorithms. The data is synthesized for enhanced credit evaluation and fraud mitigation, contributing to smarter lending practices.
- 4
- Proprietary Applications**  
Multiple proprietary tools serve both sales and credit teams, such as mobility apps for collections, dashboards, and loan origination systems (LOS). These empower agile field operations with seamless updates, real-time task tracking, and performance monitoring.
- 5
- Digital Collections & Servicing**  
Nearly 99% of collections occur via digital channels, leveraging UPI, NACH, and SMS-based payment links. Customers benefit from digital welcome kits and a call center powered by cloud telephony, while servicing channels include WhatsApp, email, and toll-free support.
- 6
- Data Analytics & Regulatory Technology**  
CSL's stack incorporates advanced dashboards at multiple levels, real-time performance tracking, and BI tools which are constantly enhanced. It automates functions like accounting entries and incentive calculations and incorporates RegTech for real-time monitoring and near-instant compliance reporting in line with RBI mandates.

- 7
- Secure, Scalable Infrastructure**  
All core business applications are hosted on a SOC2-compliant AWS Cloud, ensuring data security, high uptime, and business continuity through disaster recovery (DR) and business continuity planning (BCP) protocols.  
  
In essence, CSL Finance's tech stack provides a future-ready, agile, and customer-centric platform that powers the entire loan lifecycle, from onboarding and underwriting to disbursal, collections, and analytics, enabling it to thrive in an increasingly digital financial landscape.

Cautionary Statement

Statements in the Management Discussion and Analysis describing our objectives, projections, estimates and expectations may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our Company operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which we operate, changes in government regulations, tax laws and other statutes and incidental factors.





# Company Information

## Corporate Identity Number (CIN)

L74899DL1992PLC051462

## Board of Directors

**Mr. Rohit Gupta**

(Managing Director)

**Mr. Ashok Kumar Kathuria**

(Director)

**Ms. Rachita Gupta**

(Whole-Time Director)

**Mr. Subhash Chand Kwatra**

(Independent Director)

**Mr. Parmod Bindal**

(Independent Director)

**Mr. Anirudha Kumar**

(Independent Director)

**Ms. Alaktika Banerjee**

(Independent Director)

## Chief Financial Officer

Mr. Naresh Chandra Varshney

## Company Secretary & Compliance Officer

Ms. Preeti Gupta

## Listed at

National Stock Exchange of India Limited  
BSE Limited

## Statutory Auditors

S.P. Chopra & Co.,  
Chartered Accountants

## Internal Auditors

R. Mahajan & Associates,  
Chartered Accountants

## Secretarial Auditors

M/s Jasvinder Kaur & Co.,  
Company Secretaries

## Registrar & Share Transfer Agents

MAS Services Limited  
T-34, 2<sup>nd</sup> Floor, Okhla Industrial,  
Area Phase-2, New Delhi-110020S.  
Phone: 011-26387281-82-83  
E-mail ID: [investor@masserv.com](mailto:investor@masserv.com)

## Registered Office

410-412, 18/12, 4<sup>th</sup> Floor,  
W.E.A., Arya Samaj Road, Karol Bagh,  
New Delhi-110005.

## Corporate Office

716-717, 7<sup>th</sup> Floor, Tower – B  
World Trade Tower, Sector – 16  
Noida, Uttar Pradesh-201301.  
Phone: 0120-4290650-52-53-54  
E-mail ID: [Investor@cslfinance.in](mailto:Investor@cslfinance.in)  
Website: [www.cslfinance.in](http://www.cslfinance.in)

## List of Banks

State Bank of India  
HDFC Bank Limited  
AU Small Finance Bank  
Kotak Mahindra Bank  
ICICI Bank  
Indian Bank  
Utkarsh Small Finance Bank  
Federal Bank  
Indusland Bank  
Indian Overseas Bank  
Fincare Small Finance Bank  
Bandhan Bank Limited  
DCB BANK  
Union Bank of India  
South Indian Bank  
Canara Bank  
Bank of Maharashtra  
Capital Small Finance Bank  
EASF Small Finance Bank  
Jana Small Finance Bank  
Ujjivan Small Finance Bank

## List of Institutions

Cholamandalam Investment and Finance Company  
Tata Capital Financial Services Limited  
Tourism Finance Corporation of India  
Kotak Mahindra Investments Limited  
STCI Finance Limited  
ORIX Leasing & Financing Services India Limited  
Poonawalla Fincorp Limited  
Small Industries Development Bank of India  
Bajaj Finserv  
Ambit Finvest  
Ambit Finvest



# Notice of 33<sup>rd</sup> Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the 33<sup>rd</sup> General Meeting ("AGM") of the Members of CSL Finance Limited ("the Company") will be held on Saturday, September 20, 2025 at 12:30 PM (IST) through Video Conferencing and Other Audio-Visual Means ("VC/OAVM"), in conformity with the regulatory provisions and circulars issued by the Ministry of Corporate Affairs, Government of India to transact the following business.

## ORDINARY BUSINESS:

### 1. ADOPTION OF AUDITED FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Directors' Report and Auditors' Report thereon.

**"RESOLVED THAT** the Audited financial statements of the Company for the financial year ended March 31, 2025 and the Reports of the Board of Directors' and Auditors thereon as circulated to the Members, be and are hereby considered and adopted."

### 2. DECLARATION OF DIVIDEND FOR THE FINANCIAL YEAR 2024-25

To declare a dividend of ₹ 3.00/- per equity share of ₹ 10 each (30%) for the financial year ended March 31, 2025.

**"RESOLVED THAT** an final dividend @ 30% (₹ 3.00 per equity share of ₹ 10/-) on the paid- up equity share capital of the Company as recommended by the Board of Directors be and is hereby declared out of the profits of the Company for the financial year 2024-25."

### 3. APPOINTMENT OF MR. ASHOK KUMAR KATHURIA (DIN: 01010305) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION

To appoint a Director in place of Mr. Ashok Kumar Kathuria (DIN: 01010305), who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ashok Kumar Kathuria (DIN:01010305), Director, who retires by rotation at this Meeting, be and is hereby appointed as a Director of the Company."

### 4. TO CONSIDER AND APPROVE THE APPOINTMENT AND REMUNERATION OF M/S.S.R. DINODIA & CO. LLP, CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 001478N/N500005) AS STATUTORY AUDITORS FOR A PERIOD OF THREE YEARS, TO HOLD OFFICE FROM THE CONCLUSION OF THE THIRTY-THIRD AGM HELD IN THE FINANCIAL YEAR 2025 TILL THE CONCLUSION OF THE THIRTY-SIXTH AGM TO BE HELD IN THE FINANCIAL YEAR 2028.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies

(Audit and Auditors) Rules, 2014 and guidelines issued by the Reserve Bank of India for appointment of Statutory central auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks and NBFCs, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, Company's Policy on appointment of Statutory Auditors and pursuant to the recommendation of the Audit Committee and approval of the Board of Directors, consent of the members be and is hereby accorded to appoint M/s. S.R. Dinodia & Co. LLP, Chartered Accountants (Firm Registration No. 001478N/N500005) as Statutory Auditors from the conclusion of the Thirty-third AGM held in the Financial year 2025 till the conclusion of the Thirty-Sixth AGM to be held in the Financial year 2028.

**RESOLVED FURTHER THAT** the remuneration payable to M/s. S.R. Dinodia & Co. LLP, Chartered Accountants shall be ₹ 15,75,000 (Rupees Fifteen Lakhs Seventy Five Thousand only) plus taxes and out of pocket expenses, if any, and that the Board of Directors be and is hereby authorised to determine the remuneration for subsequent years during the tenure, as may be mutually agreed.

**RESOLVED FURTHER THAT** payment for any other services rendered by the Statutory Auditors, including Tax Audit amounting to ₹ 1,00,000 (Rupees One Lakhs only) shall be made separately in addition to the statutory audit fees.

**RESOLVED FURTHER THAT** any Director and/or Company Secretary of the Company be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies and to do all such acts, deeds, matters, and things as may be deemed necessary to give effect to the above resolution."

## SPECIAL BUSINESS:

### 5. TO CONSIDER AND APPROVE THE APPOINTMENT AND REMUNERATION OF MS. JASVINDER KAUR (COP: 7700), PROPRIETOR OF M/S. JASVINDER KAUR & CO., (COMPANY SECRETARIES), GHAZIABAD AS SECRETARIAL AUDITORS FROM THE CONCLUSION OF THIRTY-THIRD AGM HELD IN THE FINANCIAL YEAR 2025 TILL THE CONCLUSION OF THE THIRTY-EIGHTH AGM TO BE HELD IN THE FINANCIAL YEAR 2030.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of



Managerial Personnel) Rules, 2014, and Regulation 24A(1)(b) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Circulars, and based on recommendation of the Audit Committee and approval of Board of Directors, consent of members be and is hereby accorded for the appointment of Ms. Jasvinder Kaur (COP No. 7700), Proprietor of M/s. Jasvinder Kaur & Co., Company Secretaries, Ghaziabad, as Secretarial Auditors of the Company for a period of 5 consecutive years, from the conclusion of Thirty-third AGM held in the Financial year 2025 till the conclusion of thirty-eighth AGM to be held in the Financial year 2030.

**RESOLVED FURTHER THAT** the remuneration payable to M/s. Jasvinder Kaur & Co., Company Secretaries, Ghaziabad for conducting the Secretarial Audit shall be ₹ 65,000/- (Rupees Sixty-Five Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any, and that the Board of Directors be and is hereby authorised to determine the remuneration for subsequent years during the tenure, as may be mutually agreed.

**RESOLVED FURTHER THAT** any Director and/or Company Secretary of the Company be and are hereby severally authorized to file necessary e-forms with the Registrar of Companies and to do all such acts, deeds, matters, and things as may be deemed necessary to give effect to the above resolution."

**6. TO APPROVE THE RE-APPOINTMENT OF MR. PARMOD BINDAL (DIN: 06389570) AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF 3 (THREE) YEARS:**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force) read with schedule IV of the Act, and pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), 2015, Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 ("RBI Master Directions") and Article of Association of the Company, Mr. Parmod Bindal (DIN: 06389570) who was appointed by the Board of Directors on June 26, 2025 as an Independent Director based on the recommendation of Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company for a second term of three (3) consecutive years, effective from June 26, 2025 up to June 25, 2028 (both days inclusive) and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197, Schedule V and other applicable provisions of the Act and the rules made thereunder and Regulation 17(6) of the SEBI Listing Regulations, Mr. Parmod Bindal (DIN: 06389570), be paid such sitting fees and commission as the Board may approve from time to time and subject to such limits prescribed under applicable laws from time to time.

**RESOLVED FURTHER THAT** any member of the Board or the Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution."

**7. TO APPROVE THE RE-APPOINTMENT OF MR. SUBHASH CHAND KWATRA (DIN: 08635939) AS NON- EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM OF 3 (THREE) YEARS:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 ( including any statutory modification(s) and re-enactment thereof for the time being in force) read with schedule IV of the Act, and pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements), 2015, Master Direction – Reserve Bank of India (Non-Banking Financial Company-Scale Based Regulation) Directions, 2023 ("RBI Master Directions") and Article of Association of the Company, Mr. Subhash Chand Kwatra (DIN: 08635939) who was appointed by the Board of Directors on June 26, 2025 as an Independent Director, based on the recommendation of Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company for a second term of three (3) consecutive years, effective from June 26, 2025 up to June 25, 2028 (both days inclusive) and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197, Schedule V and other applicable provisions of the Act and the rules made thereunder and Regulation 17(6) of the SEBI Listing Regulations, Mr. Subhash Chand Kwatra (DIN: 08635939), be paid such sitting fees and commission as the Board may approve from time to time and subject to such limits prescribed under applicable laws from time to time.

**RESOLVED FURTHER THAT** any member of the Board or the Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution."



## 8. RE-APPOINTMENT OF MS. RACHITA GUPTA (DIN: 09014942) AS A WHOLE-TIME DIRECTOR

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), read with Schedule V of the Act and the rules made thereunder and subject to such consents, permissions and approvals as may be required in this regard, Ms. Rachita Gupta (DIN: 09014942) be and is hereby re-appointed as the Whole-time Director of the Company with effect from December 30, 2025 upto December 29, 2030.

**RESOLVED FURTHER THAT** any member of the Board or the Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution.

**RESOLVED FURTHER THAT** Ms. Rachita Gupta in her capacity as Whole-time Director, be paid remuneration as may be fixed by the Board, from time to time, as prescribed under the Companies Act, 2013 and shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act or such other limits as may be prescribed from time to time.”

## 9. TO APPROVE CHANGE IN DESIGNATION OF MR. ASHOK KUMAR KATHURIA (DIN:01010305) FROM NON-EXECUTIVE DIRECTOR TO EXECUTIVE DIRECTOR

To consider and if deemed fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 152, 197 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the “Applicable Laws”) and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, the consent of the members be and is hereby accorded for change in designation of Mr. Ashok Kumar Kathuria (DIN:01010305) from Non- Executive Director to Executive Director of the Company liable to retire by rotation on such terms and conditions including remuneration as may be decided by the board and perquisites value arising consequent to exercise of stock options in addition to the proposed remuneration (as detailed in the explanatory statement) payable to him and shall perform such

duties and functions as may be assigned to him by the board from time to time.

**RESOLVED FURTHER THAT** any Director of the Company or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters, things and sign and file all such papers, documents, forms and writings as may be necessary and incidental to the aforesaid resolution.”

## 10. TO APPROVE INCREASE IN AUTHORISED SHARE CAPITAL AND CONSEQUENT ALTERATION TO THE CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION

To consider and if thought fit, to pass following resolution as an **Ordinary Resolution**.

**“RESOLVED THAT** in accordance with the provisions of Sections 13, 61 and 64 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the Members be and is hereby accorded to increase the Authorised Share Capital of the Company from ₹ 23,00,00,000/- (Rupees Twenty three Crores only) divided into 2,30,00,000 (Two Crores Thirty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten only) each to ₹ 27,00,00,000/- (Rupees Twenty-Seven Crores only) divided into 2,70,00,000 Equity Shares of ₹ 10/- each and consequently, existing Clause V of the Memorandum of Association of the Company be and is hereby altered and substituted by the following as new Clause V:

***V. “The Authorised Share Capital of the Company is ₹ 27,00,00,000 (Rupees Twenty-Seven Crore Only), divided into 2,70,00,000 equity shares of ₹ 10 (Rupees Ten) each.”***

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution of the Board of Directors and the Company Secretary of the Company be and is hereby authorized severally to do all such acts, deeds and things including delegating powers to employees and officers of the Company, as they may in their absolute discretion deem necessary or expedient in respect of matters and things incidental or related thereto, and to settle any question or doubt to give effect to the aforesaid resolution.”

## 11. APPROVAL FOR CSL EMPLOYEE STOCK OPTION SCHEME 2025 THROUGH TRUST ROUTE.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [“**SEBI (SBEB & SE) Regulations, 2021**”], and Section 62(1)(b) and other applicable provisions of the Companies Act, 2013, if any and



the Rules made there under (including any statutory modification(s) or re-enactment thereof), relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**"SEBI (LODR) Regulations"**], relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded for approval of CSL Employee Stock Option Scheme 2025 (**"Scheme"**) and the Board of Directors (hereinafter referred to as the **"Board of Directors"** including an Nomination & Remuneration Committee formed by the Board of Directors) be and is hereby authorised to create, grant, offer, issue and transfer under the Scheme, in one or more tranches not exceeding 22,78,262 (Twenty-Two Lakhs Seventy-Eight Thousand Two Hundred and Sixty-Two) Employee Stock Options (**"Options"**) (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), to or for the benefit of Employees and Directors of the Group Company of the Company and to such persons as may be, from time to time, allowed for the benefits of the Scheme (as permitted under the applicable laws), exercisable into not more than 22,78,262 (Twenty-Two Lakhs Seventy-Eight Thousand Two Hundred and Sixty-Two) Equity Shares (**"Shares"**) of the face value of ₹ 10/- each (or such other adjusted figure for any bonus, stock splits, consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) at such price and on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

**RESOLVED FURTHER THAT** the Scheme shall be administered by the Nomination and Remuneration Committee (**"Committee"**) of the Company who shall have all the necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021 for the purpose of administration and implementation of the Scheme.

**RESOLVED FURTHER THAT** the Scheme shall be implemented through a Trust route, wherein an irrevocable Trust, already set up by the Company by the name CSL Employee Welfare Trust (**"Trust"**) and will acquire the Shares either by way of fresh allotment from the Company and/or by way of Secondary Acquisition from the Market.

**RESOLVED FURTHER THAT** out of the overall pool of 22,78,262 (Twenty-Two Lakhs Seventy-Eight

Thousand Two Hundred and Sixty-Two) Shares the Trust may acquire such quantity of Shares either by way of fresh allotment from the Company and/or by way of Secondary Acquisition from the Market, as decided by the Committee from time to time.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted by the Company, if any, and transferred by the Trust under the Scheme shall rank pari-passu in all respects with the then existing Shares of the Company.

**RESOLVED FURTHER THAT** the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Scheme shall be suitably adjusted for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Scheme.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to compliance with the SEBI (SBEB & SE) Regulations and other applicable laws, rules and regulations, as may be prevailing at that time and also to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and to take all necessary actions and with power on behalf of the Company to settle all such questions, issues, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorized to do for the purpose of giving effect to this resolution."

## **12. APPROVAL FOR EXTENSION OF GRANT OF OPTIONS TO THE EMPLOYEES AND DIRECTORS OF THE GROUP COMPANY OF THE COMPANY UNDER CSL EMPLOYEE STOCK OPTION SCHEME 2025.**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 6(3)(c) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity)

Regulations, 2021 [**“SEBI (SBEB & SE) Regulations, 2021”**], and Section 62(1)(b) and applicable provisions of the Companies Act, 2013, if any and the Rules made there under (including any statutory modification(s) or re-enactment thereof), relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**“SEBI (LODR) Regulations”**], relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board of Directors, including an Nomination & Remuneration Committee formed by the Board of Directors), to extend the benefits of CSL Employee Stock Option Scheme 2025 (**“Scheme”**) including the grant of Employee Stock Options (**“Options”**) and transfer of the Equity Shares (**“Shares”**) thereunder, to such Employees and Directors of the Group Company of the Company, and to such other persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable laws from time to time) at such price and on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

**RESOLVED FURTHER THAT** the Equity Shares to be transferred by the Company under the Scheme shall rank pari-passu in all respects with the then existing Shares of the Company.

**RESOLVED FURTHER THAT** the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme subject to compliance with the applicable laws, rules and regulations, as may be prevailing at that time and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the

activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution.”

### **13. APPROVAL FOR GRANT OF OPTIONS TO IDENTIFIED EMPLOYEES DURING ANY ONE YEAR EQUAL TO OR EXCEEDING 1% OF THE ISSUED CAPITAL OF THE COMPANY UNDER CSL EMPLOYEE STOCK OPTION SCHEME 2025.**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Regulation 6(3)(d) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [**“SEBI (SBEB & SE) Regulations, 2021”**], and Section 62(1)(b), Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof), relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the **“Board of Directors”** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) to create, grant, offer and issue Employee Stock Options (**“Options”**) under CSL Employee Stock Option Scheme 2025 (**“Scheme”**) exercisable and convertible into Equity Shares, during any one year, equal to or in excess of 1% (one percent) or more of the issued capital (excluding outstanding warrants and conversions, if any) of the Company to the identified employees of the Company as the Board may identify at the time of Grant from time to time.

**At present the employees who have been identified are as follows:**

| <b>S. No.</b> | <b>Employee Name</b> | <b>Designation</b>       |
|---------------|----------------------|--------------------------|
| 1.            | Mr. Chandan Kumar    | Head-Strategy & Business |
| 2.            | Mr. Chirag Gupta     | Head-Credit              |

**RESOLVED FURTHER THAT** the Equity Shares, to be issued and allotted by the Company from time to time in accordance with Scheme shall rank pari-passu in all respects with the existing Equity Shares of the Company.



**RESOLVED FURTHER THAT** the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

**RESOLVED FURTHER THAT** in case of any corporate action(s) as per the Scheme such as right issues, bonus issues, stock splits, consolidation of shares, etc., the outstanding Options as well as the exercise price of the Options shall be suitably adjusted in a fair and reasonable manner, in accordance with the Scheme.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

#### **14. APPROVAL FOR PROVISION OF MONEY BY THE COMPANY FOR THE PURCHASE OF ITS OWN SHARE BY THE TRUST/TRUSTEES FOR THE BENEFIT OF EMPLOYEES UNDER CSL EMPLOYEE STOCK OPTION SCHEME 2025**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 67(3) of the Companies Act, 2013, Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any amendment thereto or re-enactment thereof), the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI (SBEB & SE) Regulations, 2021**"), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI (LODR) Regulations**"), relevant provisions of Memorandum of Association and Articles of Association of the Company and subject further to such other approval(s), permission(s) and sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board of Directors, including an Nomination & Remuneration Committee formed by the Board of Directors) to grant loan, to provide guarantee or security in connection with a loan granted or to be granted to CSL Employee Welfare Trust (**the "Trust"**), in one or more tranches such that the total amount of provision of money for subscription or purchase of fully paid-up Equity shares of the Company by the Trust shall not exceed 5% of the aggregate of paid up capital and free reserves of the Company, or other limit as prescribed under the applicable laws, from time to time, for the purpose of subscription and/or purchase of Equity Shares of the Company by the Trust/Trustees, in one

or more tranches, subject to the ceiling of Equity Shares ("**Shares**") as may be prescribed under CSL Employee Stock Option Scheme 2025 ("**Scheme**") or any other share based Employee benefit Scheme which may be introduced by the Company from time to time ("**Employee Benefit Scheme(s)**"), with a view to purchase such Shares in line with contemplated objectives of the Scheme or for any other purpose(s) as permitted under and in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021, Companies Act, 2013 and any other applicable laws and regulations.

**RESOLVED FURTHER THAT** the above-prescribed limit shall be taken on a consolidated basis for all Employee Benefits Scheme(s) including the present scheme implemented by the Company as may be undertaken by the Company from time to time.

**RESOLVED FURTHER THAT** any loan provided by the Company shall be an interest-free loan and shall be repayable by the Trust by utilizing the proceeds realized from the Exercise of Options by the Grantees from time to time and the accruals of the Trust during the tenure of the Scheme or at the termination of the Scheme and in accordance with the relevant provisions of the applicable laws & regulations.

**RESOLVED FURTHER THAT** the Trustees of the Trust shall ensure compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021, Companies Act, 2013 and all other applicable laws at all times in connection with dealing with the Shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary for the granting of loan within the prescribed limits of SEBI (SBEB & SE) Regulation, 2021 and to take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

#### **15. APPROVAL FOR THE ACQUISITION OF EQUITY SHARES BY WAY OF SECONDARY ACQUISITION UNDER CSL EMPLOYEE STOCK OPTION SCHEME 2025**

To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 6(3)(a) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [**"SEBI (SBEB & SE) Regulations, 2021"**], Securities and Exchange Board of India

(Prohibition of Insider Trading) Regulations, 2015, **["SEBI (PIT) Regulations, 2015"]**, applicable provisions of the Companies Act, 2013 if any, and the Rules made there under (including any statutory modification(s) or re-enactment thereof), relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **["SEBI (LODR) Regulations"]**, relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/or sanction(s) as may be necessary from the appropriate regulatory authority(ies)/institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies)/institution(s) while granting such approval(s), consent(s), permission(s) and/or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the Board of Directors, including an Nomination & Remuneration Committee formed by the Board of Directors) for secondary acquisition of up to 22,78,262 Equity Shares ("**Shares**") of the Company by CSL Employees Welfare Trust ("**Trust**"), in one or more tranches, and at such price or prices and on such terms and conditions, as may be determined by the Board of Directors, for the purpose of implementation of the CSL Employee Stock Option Scheme 2025 ("**Scheme**") and in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021 and SEBI (PIT) Regulations, 2015.

**RESOLVED FURTHER THAT** the total number of Shares under secondary acquisition held by the Trust in pursuance to the Scheme or any other share-based Employee benefit Scheme implemented in the past, shall at no time, exceed 5 (five) percent of the Paid-up Equity Capital of the Company at the end of the financial year immediately prior to the year in which the shareholders' approval is obtained in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, 2021, as amended from time to time.

**RESOLVED FURTHER THAT** the secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year as prescribed under the provisions of the SEBI (SBEB & SE) Regulations, 2021, as amended from time to time.

**RESOLVED FURTHER THAT** the above limits shall automatically include within their ambit the expanded or reduced capital of the Company where such expansion or reduction has taken place on account of corporate action(s) including issue of bonus shares,

stock splits, consolidations, rights issue, buy-back, or other re-organisation of the Company as may be applicable from time to time.

**RESOLVED FURTHER THAT** the Trustees of the Trust shall ensure compliance of the provisions of the SEBI (SBEB & SE) Regulations, 2021, SEBI (PIT) Regulations, 2015, Companies Act, 2013 and all other applicable laws at all times in connection with dealing with the Equity Shares of the Company including but not limited to maintenance of proper books of account, records, and documents as prescribed.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary and incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors is authorised to do for the purpose of giving effect to this resolution."

#### **16. TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS WITH CSL CAPITAL PRIVATE LIMITED.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 2(76), 177 of the Companies Act, 2013, read with rules made thereunder and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof for the time being in force and subject to such approvals, consents, sanctions and permissions as may be necessary and the Company's Policy on Related Party Transactions and as per the recommendation/ approval of the Audit Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded for the following transaction(s) to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), notwithstanding that such transactions may exceed lower of rupees one thousand crore or 10% of the Annual Consolidated Turnover of the Company as per the last audited financial statements of the Company in any financial year or such other threshold limits as may be specified



by the Listing Regulations from time to time, up to such extent and on such terms and conditions as the Board of Directors may deem fit, in the normal course of business and on arms' length basis, during the financial years as mentioned in the explanatory statement:

| <b>Name of Related Party (1)</b> | <b>Name of Director or Key Managerial Personnel who is related, if any (2)</b> | <b>Nature of Relationship (3)</b>                                                                                                    | <b>Nature and particulars of Proposed Contract (4)</b> | <b>Material Terms of Contract Including (5)</b> | <b>Any other information relevant or important for the board members to take a decision on the proposed resolution (6)</b> |
|----------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| CSL Capital Private Limited      | Mr. Rohit Gupta (Managing Director)                                            | CSL Finance Limited is associate Company of CSL Capital Private Limited and Mr. Rohit Gupta is common Director in both the Companies | Loan & Guarantee/ Security Transaction                 | Maximum of ₹ 250 crores.                        | 2025-26                                                                                                                    |

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company;

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee, Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s)/ Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution;

**RESOLVED FURTHER THAT** all actions taken by the Board or its Committees or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolution(s), be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board  
For **CSL Finance Limited**

**Date:** 12.08.2025  
**Place:** Noida

**Preeti Gupta**  
(Company Secretary & Compliance Officer)

# Notes:

1. Ministry of Corporate Affairs ("MCA") vide its General Circulars No.20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and Circular No. 09/2024, dated September 19, 2024 ('MCA Circulars') SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by the Securities and Exchange Board of India ("**SEBI Circulars**") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The deemed venue for holding the AGM will be the Registered Office of the Company. Since, the AGM will be held through VC, the route map, and attendance slip are also not annexed to this Notice.
2. Relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business, as set out above is furnished as **Annexure** to this Notice.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for the appointment of proxies by the members will not be available.
4. Pursuant to section 113 Corporate/Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body resolution/authorization, etc., authorizing its representative to attend AGM through VC/OAVM on its behalf and to vote through remote e-Voting. The said Resolution/Authorization be sent to the Company by email through its registered email address to [investor@csfinance.in](mailto:investor@csfinance.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. Participation of Members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.
7. Notice of the AGM including instructions for e-Voting along with the Annual Report for the FY 2024-25 are being sent through electronic mode only to those Members whose email addresses are registered with the Company/DP. Members may note that the Notice and Annual Report for the FY 2024-25 will also be available on the Company's website, <https://www.csfinance.in/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).  
  
In case any Member is desirous of obtaining hard copy of the Annual Report for the FY 2024-25 may send request to the email address at [investor@csfinance.in](mailto:investor@csfinance.in) mentioning Folio No./DP ID and Client ID.
8. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.  
  
Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.csfinance.in/contact-us>.
9. The Company has appointed National Securities Depository Limited ('NSDL') as the authorised agency, to provide VC/OAVM facility for the AGM of the Company.
10. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the Meeting and 15 minutes after the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel,



the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

11. The Board of Directors recommended a final dividend of 30% i.e. ₹ 3.00 per Equity share of face value of ₹ 10 per share for the financial year ended March 31, 2025 which will be subject to the approval of shareholders at AGM. This final dividend, if approved by the shareholders at AGM, will be payable within 30 days from the date of declaration of dividend i.e. on or before October 20, 2025 to the Members whose names appear in the Register of Members/List of Beneficial Owners of the Company as on the Record Date i.e., Saturday, September 13, 2025.
12. Dividend income is taxable in the hands of the shareholders and the Company is required to deduct the tax at source from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (IT Act). In order to enable compliance with TDS requirements in respect of dividends declared by the Company in future, members are requested to submit Form 15G/15H on annual basis and update details about their residential status, PAN and Category as per the IT Act with their Depository Participants or in case of shares held in physical form, with the Company/Registrar and Transfer Agent, so that tax at source, if any, as per applicable rates may be deducted in respect of dividend payments made by the Company in future.

Shareholders are requested to note that if the PAN is not correct/invalid/inoperative or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Sections 206AA or 206AB of the Income-tax Act, as applicable and in case of invalid PAN, they will not be able to get credit of TDS from the Income Tax Department.

13. SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) has mandated that with effect from April 01, 2024 dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC complaint i.e. the details of PAN, choice of nomination, contact details, mobile no. complete bank details and specimen signatures are registered. In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid upon furnishing all the aforesaid details in entirety.

14. To receive the dividend on time, Members holding shares in physical form should be KYC complaint and receive the dividends directly in their bank accounts through Electronic Clearing Service or any other means. Members are requested to send the following documents to our RTA –MAS Services Limited, so as to reach the RTA before the record date i.e. September 13, 2025.

- a) Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pin code, and the following details relating to the bank account in which the dividend is to be received:
  - i. Name of Bank and Bank Branch;
  - ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions;
  - iii. 11digit IFSC Code; and
  - iv. 9-digit MICR Code.
- b) Original copy of cheque bearing the name of the Member or first holder, in case shares are held jointly;
- c) Self-attested copy of the PAN Card of all holders; and
- d) Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
- e) Form ISR2 duly filled signed. The signature of holders should be attested by the Bank Manager
- f) Form SH 13 – Nomination form or ISR3 – to opt out from Nomination

The above Investor Service Request Forms (ISR) are available at RTA's website at <https://www.masserv.com>

15. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

16. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form except in case of request received for transmission or transposition of securities. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.
17. The requests for effecting transmission/transposition of securities shall be processed in the dematerialized form. In order to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, MAS Services Limited at [investor@masserv.com](mailto:investor@masserv.com) for assistance in this regard.
18. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
19. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at <https://www.masserv.com>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the share are held in physical form, quoting their folio no.
20. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in Form No. ISR-1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
21. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
23. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
24. The Company has fixed Saturday, September 13, 2025 as the 'Cut-off Date' to record the entitlement of the shareholders to cast their voting through remote e-Voting/e-Voting during the AGM. Any person who is not a Member on the Cut-off date should treat this Notice for information purposes only.
25. The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, and the Certificate from the Secretarial Auditors in respect of the Company's Employee Stock Option Scheme will remain available for inspection through electronic mode during the AGM, for which purpose Members are required to send an e-mail to the Company Secretary at [investor@cslfinance.in](mailto:investor@cslfinance.in)
26. The Register of Members and Share Transfer Books of the Company will remain closed from September 14, 2025 to September 20, 2025 (both days inclusive). Transfers received during book closure will be considered only after reopening of the Register of Members.
27. Pursuant to Section 124 read with Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/unclaimed for a period of 7 years, are required to be transferred to the Investor Education and Protection Fund constituted by the Central Government. Accordingly, the final dividend for the financial year 2017-18 which remains unclaimed, are proposed to be transferred to the said account on November 05, 2025.



28. Members who have not claimed/encashed their dividend so far for the financial year ended 31.03.2017 or any subsequent financial year(s) may approach the RTA or the Company for obtaining payments thereof before expiry of the stipulated 7 years period. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company on the website of the Company and the same can be accessed through the link [https://www.csloffinance.in/files/ugd/eb7a97\\_8ed69be810d2414393d088896eae07c0.pdf](https://www.csloffinance.in/files/ugd/eb7a97_8ed69be810d2414393d088896eae07c0.pdf)
29. A brief profile of the Directors, who are appointed/re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are provided as annexure to this notice.
30. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ('NSDL') for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by NSDL.
31. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [investor@csloffinance.in](mailto:investor@csloffinance.in) on or before Wednesday, September 10, 2025. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, subject to availability of sufficient time for smooth conduct of the AGM.
32. The procedures for joining the AGM through VC, remote e-Voting and voting at the AGM along with the contact details for addressing the grievances in this regard are provided in the instructions annexed to the Notice.

## PROCEDURES FOR JOINING THE AGM THROUGH VC, REMOTE E-VOTING AND VOTING AT THE AGM

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by listed entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting facility provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

The remote e-Voting period will be as under

|                                 |                                 |
|---------------------------------|---------------------------------|
| Commencement of remote e-Voting | 9:00 A.M. on September 17, 2025 |
| End of remote e-Voting          | 5:00 P.M. on September 19, 2025 |

Members holding shares either in physical form or in dematerialized form, as on September 13, 2025 i.e., Cut-off date, may cast their vote electronically during the above period. The e-Voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commencing from September 17, 2025 and ending on September 19, 2025 or e-Voting during the AGM. Members who have cast their vote by remote e-Voting prior to the AGM may attend/participate in the AGM through VC but shall not be entitled to cast their vote on such resolution again.

The Board of Directors of the Company have appointed Ms. Jasvinder Kaur (COP: 7700), Proprietor of M/s. Jasvinder Kaur & Co., Company Secretaries, as Scrutinizer to scrutinize the process of remote e-Voting and electronic voting at the AGM in a fair and transparent manner

The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off date. The Scrutinizer will, after the conclusion of e-Voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-Voting, make a consolidated Scrutinizer's Report and submit the same to the Management. The result of e-Voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company (<https://www.csloffinance.in/>) and on the website of the e-Voting agency ([www.evoting.nsdl.com](http://www.evoting.nsdl.com)).

The result will simultaneously be communicated to the stock exchanges. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., on September 20, 2025.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### Step 1: Access to NSDL e-Voting System

##### A) Login Method for e-Voting and joining Virtual Meeting for Individual Shareholders holding securities in Demat Mode

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies; e-Voting process has been enabled for all individual demat account holders, through their demat account maintained with DPs. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting and joining the AGM for Individual Members holding securities in demat mode is given below:

| Type of shareholders                                                        | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with <b>NSDL</b> . | <ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on Company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> |

**NSDL Mobile App is available on**





Login method for e-Voting and joining the AGM for Individual Members holding securities in demat mode is given below: (Contd.)

| Type of shareholders                                                                                          | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with <b>CDSL</b>                                     | <ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their <b>depository participants</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

**Important Note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type                                                         | Helpdesk details                                                                                                                                                                                                           |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000                                        |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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**Manner of holding shares i.e. Your User ID is:  
Demat (NSDL or CDSL) or Physical**

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|                                                            |                                                                                                                                                                |
|------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br><br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.    |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br><br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.                                                     |
| c) For Members holding shares in Physical Form.            | EVEN Number followed by Folio Number registered with the Company<br><br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |

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5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - (a). Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (b). "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (c). If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - (d). Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
    1. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
    2. Now, you will have to click on "Login" button
9. After you click on the "Login" button, Home page of e-Voting will open.



## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for Shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [infocompliance20@gmail.com](mailto:infocompliance20@gmail.com) or to Company by email to [investor@cslfinance.in](mailto:investor@cslfinance.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login

to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022 - 4886 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) by email to [investor@masserv.com](mailto:investor@masserv.com) or [investor@cslfinance.in](mailto:investor@cslfinance.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhar Card) to [investor@masserv.com](mailto:investor@masserv.com) or [investor@cslfinance.in](mailto:investor@cslfinance.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**The instructions for members for e-Voting on the day of the AGM are as under:**

1. The procedure for e-Voting on the day of AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

By Order of the Board  
For **CSL Finance Limited**

**Date:** 12.08.2025  
**Place:** Noida

**Preeti Gupta**  
(Company Secretary & Compliance Officer)



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

### Item No 4

**Appointment and remuneration of M/s. S.R. Dinodia & Co. LLP, Chartered Accountants (Firm Registration No. 001478N/N500005) as Statutory Auditors for a period of three years, to hold office from the conclusion of the Thirty-third AGM held in the Financial year 2025 till the conclusion of the Thirty-Sixth AGM to be held in the Financial year 2028**

Upon the recommendation of the Audit Committee, the Board of Directors of the Company at their Meeting held on August 12, 2025, have recommended the appointment of M/s. S.R. Dinodia & Co. LLP, Chartered Accountants (Firm Registration No. 001478N/N500005), as the Statutory Auditors of the Company on the following terms:

- a. **Term of appointment:** Upto 3 (three) consecutive years from the conclusion of this AGM till the conclusion of 36<sup>th</sup> AGM to be held in year 2028.
- b. **Proposed Fees:** Shall be ₹ 15,75,000/- (Rupees Fifteen Lakh Seventy-Five Thousand only) per annum, exclusive of applicable taxes and reimbursement of out-of-pocket expenses, in remuneration, as approved by the Board of Directors.

The proposed fees is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark. The fees for services in the nature of certifications and other professional work will be in addition to the statutory audit fee as above and will be determined by the Board in consultation with the Statutory Auditors and as per the recommendations of the Audit Committee.

- c. **Basis of recommendations:** The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Companies Act, 2013 ("the Act") & Rules made thereunder with regard to the full time partners, statutory audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.
- d. **Brief Profile:** M/s. S.R. Dinodia & Co. LLP is one of India's leading professional advisory firms, providing assurance, taxation, regulatory advisory and transaction advisory services to a wide range of local as well as multinational clients. International Committee.

The firm has consistently ranked amongst the top professional advisory firms in India and has a well-established reputation for delivering quality service to its clients. The firm is providing services to over 500 clients annually, including both multinational and national businesses. The firm has significant expertise across multiple industries.

M/s. S.R. Dinodia & Co. LLP have confirmed their eligibility for appointment under Section 139, read with Section 141 of the Companies Act, 2013, and the applicable Rules, as well as the Reserve Bank of India's guidelines for the appointment of statutory auditors of Non-Banking Financial Companies (RBI guidelines).

M/s. S.R. Dinodia & Co. LLP, will hold office for a period of three (3) consecutive years, from the conclusion of this Annual General Meeting (AGM) of the Company until the conclusion of the 36<sup>th</sup> AGM, subject to the approval of the shareholders at this AGM.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution set forth for the approval of Members as an Ordinary Resolution.

### Item No 5

**Appointment and Remuneration of Ms. Jasvinder Kaur (COP: 7700), proprietor of M/s. Jasvinder Kaur & Co., (Company Secretaries), Ghaziabad as Secretarial Auditors from the conclusion of Thirty-third AGM held in the Financial year 2025 till the conclusion of the thirty-eighth AGM to be held in the Financial year 2030 and fix their remuneration.**

Pursuant to the Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013, if any ("the Act"), the Audit Committee and the Board of Directors at their respective meetings held on August 12, 2025 have approved subject to approval of Members, appointment of M/s. Jasvinder Kaur (COP: 7700), proprietor of M/s. Jasvinder Kaur & Co., (Company Secretaries), Ghaziabad as Secretarial Auditors for a term of 5(Five) consecutive years from the conclusion of Thirty-first AGM held in the Financial year 2025 till the conclusion of Thirty-Eighth AGM to be held in the Financial year 2030.

### 1. Credentials of the Secretarial Auditor:

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 (“Act”) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and upon recommendation of the Audit Committee, the Board of Directors of the Company at their Meeting held on August 12, 2025, have recommended, the appointment of M/s. Jasvinder Kaur (COP: 7700), proprietor of M/s. Jasvinder Kaur & Co., (Company Secretaries), Ghaziabad as the Secretarial Auditors of the Company on the following terms:

**a. Term of appointment:** For a term of 5 (Five) consecutive years from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of 38<sup>th</sup> AGM.

**b. Proposed Fees:** Upto ₹ 65,000 (Rupees Sixty-Five Thousand only) plus applicable taxes and other out-of-pocket expenses in connection with the Secretarial Audit for Financial Year ending March 31, 2026 and for subsequent year(s) of their term, such fee as determined by the Board, on recommendation of Audit Committee.

The proposed fees is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by the Board in consultation with the Secretarial Auditors and as per the recommendations of the Audit Committee.

**c. Basis of recommendations:** The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI Listing Regulations with regard to the full time partners, secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.

**d. Brief Profile:** M/s. Jasvinder Kaur (COP: 7700), proprietor of M/s. Jasvinder Kaur & Co., (Company Secretaries), Ghaziabad has over 16 years of experience. The Firm provides advisory & consultancy services in areas of Company Law, NCLT Matters, Corporate Restructuring, Merger & Amalgamation, Corporate Disputes and other Allied services.

M/s. Jasvinder Kaur & Co., (Company Secretaries), Ghaziabad have given their consent to act as Secretarial Auditors of the Company and confirmed

that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI LODR Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and SEBI LODR Regulations.

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the appointment of the Secretarial Auditor is now required to be approved by the shareholders. Secretarial Audit provides an independent review of the Company's compliance status and helps identify any lapses, thereby strengthening corporate governance.

Accordingly, the Board has approved the appointment of Ms. Jasvinder Kaur (COP: 7700), Proprietor of M/s. Jasvinder Kaur & Co., Company Secretaries, Ghaziabad, as the Secretarial Auditor of the Company and recommends the same for shareholders' approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding, if any, in the Company.

The Board of Directors of the Company recommends the resolution for approval of the Members as an Ordinary Resolution.

### Item No 6

#### Re-appointment of Mr. Parmod Bindal (DIN: 06389570) as Non- Executive Independent Director of the Company for a second term of 3 (Three) years:

The Members had approved appointment of Mr. Parmod Bindal (DIN: 06389570) as an Independent Director of the Company at the AGM held on September 26, 2022 for a term of three consecutive years from June 27, 2022. The term of Mr. Parmod Bindal as an Independent Director of the Company came to an end on June 26, 2025. The Board of Directors of the Company on June 26, 2025, based on the recommendation of the Nomination and Remuneration Committee after review of performance evaluation and subject to the approval of the Members through Special Resolution, re-appointed Mr. Parmod Bindal as an Independent Director, for a second term of three consecutive years commencing from June 26, 2025. Mr. Parmod Bindal is not disqualified from being reappointed as Director in terms of Section 164 of the Companies Act 2013 (“Act”) and has consented to act as Director of the Company in terms of Section 152 of the Act. The Company has also received following declarations from him (i) intimation in Form DIR-8 to the effect that he is not disqualified under the Act; (ii) declaration that he meets with the criteria of independence as prescribed under the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing



Regulations"); (iii) declaration towards inclusion of his name in the data bank maintained for Independent Directors; and (iv) In terms of Regulation 25(8) of Listing Regulations, a confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Parmod Bindal has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited, pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies. In the opinion of the Board, Mr. Parmod Bindal fulfils the conditions specified in the Act and the rules made thereunder and also under the Listing Regulations for re-appointment as an Independent Director and is independent of the Management.

The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://www.csloffinance.in/codes-and-policies>. A brief profile of Mr. Parmod Bindal is provided in the notes to the Notice of the AGM as **Annexure-B**.

The Board of Directors is of the opinion that the knowledge, expertise, and extensive experience of Mr. Parmod Bindal will be of immense value to the Company. His association is expected to contribute meaningfully to the Company's strategic direction and overall governance. Accordingly, the Board has approved his appointment and recommends the approval of the Special Resolution set out at item no. 6 of this Notice.

Except Mr. Parmod Bindal, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution.

## Item No 7

### **Re-appointment of Mr. Subhash Chand Kwatra (DIN: 08635939) as Non- Executive Independent Director of the Company for a second term of 3 (Three) years:**

The Members had approved appointment of Mr. Subhash Chand Kwatra (DIN: 08635939) as an Independent Director of the Company at the AGM held on September 26, 2022 for a term of three consecutive years from June 27, 2022. The term of Mr. Subhash Chand Kwatra as an Independent Director of the Company came to an end on June 26, 2025. The Board of Directors of the Company on June 26, 2025, based on the recommendation of the Nomination and Remuneration Committee after review of performance evaluation and subject to the approval of the Members through Special Resolution, re-appointed Mr. Subhash Chand Kwatra as an Independent Director, for a second term of three consecutive years commencing from June 26, 2025. Mr. Subhash Chand Kwatra is not disqualified from being reappointed as Director in terms of Section 164 of the Companies Act 2013 ("Act") and has consented

to act as Director of the Company in terms of Section 152 of the Act. The Company has also received following declarations from him (i) intimation in Form DIR-8 to the effect that he is not disqualified under the Act; (ii) declaration that he meets with the criteria of independence as prescribed under the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); (iii) declaration towards inclusion of his name in the data bank maintained for Independent Directors; and (iv) In terms of Regulation 25(8) of Listing Regulations, a confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Subhash Chand Kwatra has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited, pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies. In the opinion of the Board, Mr. Subhash Chand Kwatra fulfils the conditions specified in the Act and the rules made thereunder and also under the Listing Regulations for re-appointment as an Independent Director and is independent of the Management.

The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://www.csloffinance.in/codes-and-policies>. A brief profile of Mr. Subhash Chand Kwatra is provided in the notes to the Notice of the AGM as **Annexure-C**.

The Board of Directors is of the opinion that the knowledge, expertise, and vast experience of Mr. Subhash Chand Kwatra will be of immense value to the Company. His association is expected to strengthen the Company's leadership and support its long-term growth and governance. Accordingly, the Board has approved his appointment and recommends the approval of the Special Resolution set out at item no. 7 of this Notice.

Except Mr. Subhash Chand Kwatra, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution.

## Item No 8

### **Re-appointment of Ms. Rachita Gupta (DIN: 09014942) as a Whole-time Director:**

The shareholders vide ordinary resolution passed by postal ballot/E-voting on July 28, 2021, approved the appointment of Ms. Rachita Gupta (DIN: 09014942) as a Whole-time Director of the Company for a period of five years, with effect from December 30, 2020 upto and including December 29, 2025. Basis the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on August 12, 2025, re-appointed Ms. Rachita Gupta, as a Whole-time Director of the Company with effect from December 30, 2025 upto and including December

29, 2030, subject to the approval of the members in the Annual Meeting.

Considering her expertise and leadership, the Board, approved re-appointment of Ms. Rachita as the Whole-time Director of the Company.

A brief profile of Ms. Rachita is provided in the notes to the Notice of the AGM as **Annexure-D**.

The Company would enter into an agreement with Ms. Rachita covering the following terms of remuneration:

**Salary:** ₹ 30,00,000 (Rupees Thirty Lakh only) per annum.

**Perquisites/Amenities:** As per the policy applicable to senior executives of the Company and/or which may become applicable in the future and/or any other perquisites and/or amenities as the board may from time to time decide.

Gratuity and provident fund will be payable as per the Rules of the Company.

**Others:** Company's contribution to retirement funds, official use of car/driver and communication facilities for Company's business, as per rules of the Company.

Reimbursement of expenses incurred by her on account of business of the Company in accordance with Company policy.

Disclosures as required under Secretarial Standard-2 on General Meetings are provided as an Annexure to this Notice.

The Companies Act, 2013 and Secretarial Standard – 2 on General Meetings provides that the re-appointment and remuneration of Whole-time Directors shall be subject to approval of the shareholders in a General Meeting. Accordingly, the resolution at Item No. 8 in relation to appointment of Ms. Rachita, as a Whole-time Director is proposed for approval of members by means of an ordinary resolution.

The agreement to be entered into with Ms. Rachita will be open for inspection by members in the manner as specified in the Notice up to the date of the Annual General Meeting.

Ms. Rachita Gupta has played a pivotal role in strengthening the Company's retail lending segment, driving key technology initiatives, and enhancing corporate communication and HR practices. With over seven years of leadership at CSL Finance and a strong academic and professional background, her continued association will provide strategic direction and stability. The Board, recommends the re-appointment and the terms of appointment thereof of Ms. Rachita as a Whole-time Director of the Company for approval of the shareholders. based on the Nomination & Remuneration Committee's

recommendation, to ensure continued growth and execution of the Company's long-term vision.

Except Ms. Rachita and her relatives, being the appointee, none of the other Directors (Except Mr. Rohit Gupta) and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the notice.

## Item No 09

### Approval for change in designation of Mr. Ashok Kumar Kathuria (DIN: 01010305) from Non- Executive Director to Executive Director.

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, has approved the change in designation of Mr. Ashok Kumar Kathuria (DIN: 01010305) from Non-Executive Director to Executive Director, subject to the approval of the shareholders at the ensuing Annual General Meeting. Mr. Kathuria has been associated with the Company in a non-executive capacity since 2005. For Mr. Kathuria's continued performance, experience, and valuable contributions to the Company, the Board believes that his active involvement in an executive role will be instrumental in driving the Company's operational performance and growth strategy.

Mr. Kathuria's appointment as Executive Director shall be governed by the applicable provisions of the Companies Act, 2013, including Sections 152 and 197 and other relevant provisions read with applicable rules made thereunder and Schedule V to the Act, as well as the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms and conditions, including remuneration, if any, shall be determined by the Board of Directors from time to time and shall be subject to the approval of the shareholders. Mr. Kathuria shall be entitled to the following remuneration and benefits from the Company:

**Salary:** ₹ 80,000 (Rupees Eighty Thousand only) per month.

**Perquisites:** Value arising consequent to exercise of stock options granted under CSL Employee Stock Option Scheme 2016.

**Others:** Company's contribution to retirement funds, official use of car/driver and communication facilities for Company's business, as per rules of the Company.

Mr. Kathuria is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, and he shall be liable to retire by rotation in accordance with the provisions of the Act and the Articles of Association of the Company. He is not related to any of the Directors or Key Managerial Personnel of the Company.

The Board of Directors is of the opinion that the appointment of Mr. Kathuria as Executive Director is



in the best interest of the Company, and accordingly recommends the resolution as set out in Item No. 09 of the Notice for approval of the members as an Ordinary Resolution. None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ashok Kumar Kathuria himself, is concerned or interested, financially or otherwise, in the proposed resolution.

### Item No 10

#### To approve increase in Authorised Share Capital and consequent alteration to the Capital Clause of the Memorandum of Association

Presently, the Authorised Share Capital of the Company is ₹ 23,00,00,000/- (Rupees Twenty Three Crores only) divided into 2,30,00,000 (Two Crores Thirty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten only) each and the Company proposes to introduce an CSL Employee Stock Option Plan, 2025 ("ESOP 2025"), in accordance with the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations, 2021") and Other applicable laws and regulations, including amendments thereto from time to time.

The proposed ESOP 2025 shall entail certain percentage of equity dilution. In view of this, it is proposed to increase the Authorised Share Capital of the Company from the existing ₹ 23,00,00,000/- (Rupees Twenty-Three Crores only) to ₹ 27,00,00,000/- (Rupees Twenty-Seven Crores only) to accommodate the equity dilution arising from the implementation of ESOP 2025 and to provide for any potential future allotments that the Company may undertake.

Consequently, it is necessary to alter Capital Clause of the Memorandum of Association (MoA) of the Company to reflect the revised authorised share capital, pursuant to the provisions of Sections 13 and 61 of the Companies Act, 2013.

The increase in the Authorized Share Capital and consequential alteration to Clause V of the Memorandum of Association of the Company requires members' approval in terms of Sections 13 and 61 of the Companies Act, 2013.

Accordingly, approval of members is sought for passing the ordinary resolution set out at Item No. 10 of this Postal Ballot Notice.

The Memorandum and Articles of Association of the Company is made available for inspection, electronically by the Members of the Company and is also available on the website of the Company at the given link [https://www.csloffinance.in/files/ugd/eb7a97\\_63ff2df4418b4b96a58584ab35c6cc1c.pdf](https://www.csloffinance.in/files/ugd/eb7a97_63ff2df4418b4b96a58584ab35c6cc1c.pdf)

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No 10 of this Postal Ballot Notice.

The Board of Directors recommend the Ordinary Resolution as set out at Item No 10 of this Notice for approval by the Members.

### Item No 11, 12, 13 and 15

Presently the Company has one active Employee Stock Option Scheme named as **"CSL Employee Stock Option Scheme 2016"**, which was implemented through a Trust Route, pursuant to the approvals granted by the Shareholders under the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [**"SEBI (SBEB & SE) Regulations, 2021"**].

In line with the continued commitment of the Company, the Company has come up with a CSL Employee Stock Option Plan 2025 aimed to align the leadership incentives with the Company's strategic goals.

Key objectives of the CSL ESOP 2025 include:

- Driving overall Company performance growth through a performance-linked ESOPs Structure with primary focus on growth of AUM (Assets under Management) in the SME segment, Sustaining and enhancing the Portfolio Quality of SME Book, Motivating and retaining key senior management personnel. The Board of Directors has considered and approved the CSL Employee Stock Option Scheme 2025 (**"Scheme"**) at its meeting dated August 12, 2025.
- The Scheme is designed to align key senior management personnel interests with those of the Company, support long-term objectives, attract and retain top talent, and reward performance by issuing Employee Stock Options in the proposed Scheme.
- The Scheme shall be implemented through a Trust route, wherein an irrevocable Trust, already set up by the Company by the name CSL Employee Welfare Trust (**"Trust"**) and will acquire the Shares either by way of fresh allotment from the Company and/or Secondary Acquisition from the market.
- By extending the benefits of the Scheme to eligible employees of Group Company, CSL Finance Limited aims to reinforce a sense of unity, shared purpose, and collaboration among all employees within the broader corporate family. This approach not only strengthens the overall talent pool within the organization but also ensures consistent standards of performance and incentivization throughout the Company, its Group Company. Moreover, it aligns with the strategic vision of promoting a unified corporate culture focused on long-term value creation and

sustainable growth across all business entities under the CSL Finance Limited umbrella.

In terms of **Regulation 6(1)** of SEBI (SBEB & SE) Regulations, 2021, and Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013, the issue of Equity Shares under the captioned Scheme requires approval of the Shareholders by way of a Special Resolution. The Special Resolution set out at **Item No. 11** is to seek your approval for the said purpose.

Further, as per **Regulation 6(3)(c)** of SEBI (SBEB & SE) Regulations, 2021, approval of the Shareholders by way of separate Special Resolution is also required for Grant of Options to the Employees and Directors of the Group Company of the Company. The Special Resolution set out at **Item No. 12** is to seek your approval for the said purpose.

Further, as per **Regulation 6(3)(d)** of SEBI (SBEB & SE) Regulations, 2021, approval of the Shareholders by way of separate Special Resolution is also required for grant of options, to identified employees, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company. The Special Resolution set out at **Item No. 13** is to seek your approval for the said purpose.

Further, as per **Regulation 6(3)(a)** of SEBI (SBEB & SE) Regulations, 2021, approval of the Shareholders by way of separate Special Resolution is also required Acquisition of Equity Shares by the Trust for implementation of the Scheme. The Special Resolution set out at **Item No. 15** is to seek your approval for the said purpose.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB & SE) Regulations, 2021 are as under:

### 1. Brief Description of the Scheme:

This Scheme shall be called the CSL Employee Stock Option Scheme 2025 ("**Scheme**").

**The purpose of the Scheme includes the followings:**

- i. Drive overall Company's growth through a performance-linked ESOP structure, with a primary focus on expanding Assets under Management (AUM) in the SME Retail lending segment, while sustaining and enhancing the portfolio quality of the SME Retail book.
- ii. Incentivize and retain key senior management personnel, thereby strengthening leadership capabilities and expanding management bandwidth.
- iii. Institutionalise the SME Retail lending segment to ensure scalability, consistency, and operational excellence.
- iv. Foster a performance-driven organisational culture, starting with the top management.

- v. The Company will strive to create value for all the stakeholders and these options will only be vested if specified targets are achieved.

### 2. Total number of Options to be granted:

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 22,78,262 (Twenty-Two Lakhs Seventy-Eight Thousand Two Hundred and Sixty-Two) Options which shall be convertible into equal number of Shares not exceeding 22,78,262 (Twenty-Two Lakhs Seventy-Eight Thousand Two Hundred and Sixty-Two) Equity Shares having face value of ₹ 10/- each.

If any Option Granted under the Scheme lapses or is forfeited or surrendered under any provision of the Scheme, such Option shall be added back to the pool of the Scheme and shall be available for further Grant under the Scheme at the discretion of the Committee.

Further, the maximum number of Options that can be Granted and the Shares arise upon Exercise of these Options shall stand adjusted in case of Corporate Action.

### 3. Identification of classes of employees entitled to participate and be beneficiaries in the Scheme:

- (a) An employee as designated by the Company, who is exclusively working in India or outside India; or
- (b) A director of the Company, whether a Whole Time Director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (c) an employee as defined in sub-clause (a) or (b), of Group Company of the Company.

but does not include:

- (a) an employee who is a Promoter or a person belonging to the Promoter Group; or
- (b) a director who, either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

### 4. Requirement of Vesting and period of Vesting:

The Vesting Period shall commence from a minimum period of 1 (one) year from the Grant Date and shall extend up to a maximum period of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

The Vesting Schedule, % of Options to be vested will be clearly defined in the Grant Letter of respective Grantees subject to minimum and maximum Vesting Period as specified in the Scheme and can vary



from Grantee to Grantee as per the discretion of the Committee whose decision shall be final and binding.

The actual Vesting of Options will be subject to the continued employment of the Grantee and shall further be linked with achievement of performance parameters such as SME Disbursement, PAR Bucket, wholesale Asset Under Management (AUM) or any other such parameters with percentage of weightage, threshold or any details as may be determined by the Committee as per the Scheme and mentioned in the Grant Letter.

### 5. The maximum period within which the Options shall be vested:

Maximum period within which the Options shall be vested is 5 (Five) years from the Grant date.

### 6. Exercise Price or Pricing Formula:

Under this Scheme, the Exercise Price will be decided by the Committee at the time of Grant and shall be linked with the Market Price as defined in the Scheme.

**"Market Price"** means the latest available closing price on a recognized Stock Exchange on which the Shares of the Company are listed on the date immediately prior to the Relevant Date(as defined in the Scheme).

**Explanation:** If such Shares are listed on more than one Recognised Stock Exchange, then the closing price on the Recognised Stock Exchange having higher trading volume shall be considered as the Market Price.

The Committee has the power to provide further suitable discount on such price as arrived above. However, in any case the Exercise Price shall not go below the face value of the Share of the Company at any point of time.

### 7. Exercise period and process of Exercise:

After Vesting, in case of continuous employment, Options can be exercised either wholly or partly, within an overall Exercise Period of 5 (five) years from the date of respective Vesting. The Grantee can opt for the mode of Exercising the vested Options either through Share Route or Cashless Route as defined in the Scheme.

The mode and manner to Exercise shall be as defined in the Scheme and communicated by the Committee in the Grant Letter to the Grantees.

### 8. Appraisal process for determining the eligibility of the Employees to the scheme:

The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant and decide upon the quantum of Options under the Scheme and the terms and conditions thereof:

a) Based on Loyalty & Tenure of Employment:

- Intention to long term commitment in the Company in future.
- Any other tenure period, as may be determined and decided by the Committee from time to time.

b) Based on Performance and other criteria:

- KPI/Goal Achievement: Level of targets achieved.
- Company Performance: As per Board-set benchmarks based on 5 years business plan.
- Value addition by the new entrants, if any.
- Employment terms.
- Future Potential.
- Critical Position.
- Any Combination of above parameters.
- New Joinees also eligible to participate in the Scheme and be granted Options upon the discretion of the Committee.
- Any other Criteria as may be determined and decided by the Committee from time to time.

### 9. The Maximum number of Options to be granted per Employee and in aggregate:

Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any Eligible Employee during any one year shall not be equal to or exceed 1% of the issued equity share capital (excluding outstanding warrants and conversions) of the Company at the time of Grant. The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued equity share capital (excluding outstanding warrants and conversions) to any Eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 22,78,262 (Twenty-Two Lakhs Seventy-Eight Thousand Two Hundred and Sixty-Two) Options which shall be convertible into equal number of Shares not exceeding 22,78,262 (Twenty-Two Lakhs Seventy-Eight Thousand Two Hundred and Sixty-Two) Equity Shares having face value of ₹ 10/- each.

### 10. The Maximum quantum of benefits to be provided per Employee under the scheme:

The maximum quantum of benefits that will be available to every Eligible Employee under the Scheme will be the difference between the Fair market value of Company's Share on the Recognized Stock Exchange(s) as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

**11. Whether the Scheme is to be implemented and administered directly by the Company or through a Trust:**

The Scheme shall be implemented through Trust Route wherein the Trust may acquire the Shares either from the following sources:

- a) Fresh Allotment from the Company, and/or
- b) Secondary acquisition from the market.

Subject to Applicable Laws and the framework laid down by the Board of Directors, the Scheme shall be administered by the Committee which shall delegate some or all of its administrative powers to the Trust or any other committee or Person(s), as per the Applicable Laws, for proper administration of the Scheme.

**12. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the Trust or both:**

The Scheme involves both Fresh allotment from the Company and/or Secondary acquisition from the market.

**13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

For the purpose of acquisition of Shares by the said Trust, the Trust may be funded by the Company, either through an interest free loan or any other form of financial assistance permissible under Applicable Laws. Further, the Trust may take loan from banks or any other person/source under Applicable Laws.

The total amount of provision of money for purchase of fully paid-up Equity shares in the Company by the Employee Welfare Trust shall not exceed the maximum limit prescribed under Applicable Laws, from time to time, presently not exceeding 5% of the aggregate of paid capital and free reserves of the Company as provided in Companies Act, 2013. The loan shall be repayable by the Trust subject to availability of the funds received pursuant to exercise of stock options under the Scheme and in accordance with the relevant provisions of the applicable laws & regulations. The utilization of such loan shall be for the objects of the Trust as mentioned in the trust deed including the implementation of the Scheme wherein it will purchase the Shares of the Company through fresh allotment from the Company and/or secondary acquisition from the Market. The Trust shall repay the loan to the Company by utilizing the proceeds realized from Exercise of Options by the Grantees and the accruals of the Trust during the tenure of the Scheme or at termination of the Scheme.

Provided that the above limit of 5% shall be taken on a consolidated basis for all Employee Benefit Scheme(s) as may be undertaken by the Company from time to time.

**14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:**

The Trust shall acquire the Shares subject to the limits as prescribed under SEBI (SBEB & SE) Regulations, 2021 from time to time.

The total number of Shares under Secondary Acquisition held by the Trust in pursuance to the Scheme or any other share based Employee benefit Scheme implemented in the past, shall at no time, exceed 5 (Five) percent of the Paid-up Equity Capital of the Company as at the end of the financial year immediately prior to the year in which the Shareholder approval is obtained for such Secondary Acquisition in due compliance with the provisions of the SEBI (SBEB & SE) Regulations, as amended from time to time.

The secondary acquisition by the Trust in any financial year shall not exceed 2 (two) percent of the paid-up Equity capital as at the end of the respective previous financial year as prescribed under the provisions of the SEBI (SBEB & SE) Regulations, as amended from time to time.

**15. Statement to the effect that the Company shall conform to the accounting policies specified in regulation:**

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations, 2021 or as may be prescribed by regulatory authorities from time to time.

**16. The method which the Company shall use to value its Options:**

The Company shall make all the necessary disclosures required under the provisions of the SEBI (SBEB & SE) Regulations, 2021 and other Applicable Laws. The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

**17. Statement with regard to Disclosure in Director's Report:**

As the Company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' report.



**18. Period of lock-in:**

The Shares arising out of Exercise of vested Options shall not be subject to any lock-in period after such exercise.

**19. Terms & conditions for buyback, if any, of specified securities:**

The Committee will determine the procedure for buyback of Options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions in accordance with the Applicable Laws.

In terms of Section 62 of the Companies Act, 2013 and Regulation 6 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the approval of the Shareholders is sought by way of Special Resolution for the approval of the CSL Employee Stock Option Scheme 2025.

The Board of Directors recommend the resolutions as set out at **Item no. 11, 12 13 and 15** for your approval as Special Resolutions.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options may be granted under the Scheme.

**CSL Employee Stock Option Scheme 2025** and other documents referred to in the aforesaid resolutions are available for inspection on the website of the Company or at the corporate office of the Company.

**Item No. 14**

In order to execute CSL Employee Stock Option Scheme 2025 through Trust Route, the Company needs to make provision of funds to the Trust to enable it to purchase the Shares of the Company.

Pursuant to Section 67 of the Companies Act, 2013, and Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014, the Company is authorized for creating the provisioning of money in accordance with the CSL Employee Stock Option Scheme 2025, or any other equity-linked scheme approved by the members of the Company through a special resolution. The purpose of this provision is to enable the CSL Employee Welfare Trust ("**Trust**") to purchase or subscription of fully paid-up Shares of the Company, which shall be held by the Trustees for the benefit of the employees of the Company or any other persons eligible for such benefits as determined from time to time.

Therefore, the Board recommends the Special Resolution set out in **Item No. 14** for approval by the members.

The disclosures as per Rule 16 of Companies (Share Capital and Debentures) Rules, 2014, are as under:

|                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. The class of Employees for whose benefit the Scheme is being implemented and money is being provided for purchase of or subscription to Shares. | <p>(a) an employee as designated by the Company, who is exclusively working in India or outside India; or</p> <p>(b) a director of the Company, whether a Whole Time Director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or</p> <p>(c) an employee as defined in sub-clause (a) or (b), of Group Company of the Company.</p> |
|                                                                                                                                                    | but does not include:                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                                                                                                                                    | <p>(a) an employee who is a Promoter or a person belonging to the Promoter Group; or</p> <p>(b) a director who, either himself or through his Relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.</p>                                                                                                                             |
| 2. The particulars of the Trustee or Employees in whose favor such Shares are to be registered.                                                    | <p><b>Name of the Trust:</b> CSL Employee Welfare Trust.</p> <p><b>Name of the Trustees:</b></p>                                                                                                                                                                                                                                                                                                                           |
|                                                                                                                                                    | 1) Mr. Vinay Garg, S/o Late Mr. Pyare Lal, R/o D-I3/28, Sector-8, Rohini, Delhi- 110085                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                                                    | 2) Mr. Sher Bahadur Tiwari, S/o Mr. Ram Tirath Tiwari, R/o H.No. F-1381, Ram Park Vistar, Loni, Ghaziabad-201102                                                                                                                                                                                                                                                                                                           |

|    |                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. | Particulars of Trust.                                                                                                                                      | Name of the Trust: CSL Employee Welfare Trust.<br><br>Address of the Trust: House No.: D-13/28, Sector-8 Rohini, Delhi-110085                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 4. | Name, Address, Occupation and Nationality of Trustees.                                                                                                     | <ol style="list-style-type: none"> <li><b>Name:</b> Mr. Sher Bahadur Tiwari<br/><b>Address:</b> H.No. F-1381, Ram Park Vistar, Loni, Ghaziabad-201102<br/><b>Occupation:</b> Service<br/><b>Nationality:</b> Indian</li> <li><b>Name:</b> Mr. Vinay Garg<br/><b>Address:</b> D-13/28, Sector-8, Rohini, Delhi-110085<br/><b>Occupation:</b> Professional<br/><b>Nationality:</b> Indian</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 5. | Relationship of Trustees with Promoters, Directors or Key Managerial Personnel, if any.                                                                    | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 6. | Any interest of Key Managerial Personnel, Directors or Promoters in such Scheme or Trust and effect thereof.                                               | The Key Managerial personnel and Directors are interested in the Scheme only to the extent, to the Options that may be granted to them, if any, under the Scheme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 7. | The detailed particulars of benefits which will accrue to the Employees from the implementation of the Scheme.                                             | <ul style="list-style-type: none"> <li>Drive overall Company growth through a performance-linked ESOP structure, with a primary focus on expanding Assets under Management (AUM) in the SME Retail lending segment, while sustaining and enhancing the portfolio quality of the SME Retail book.</li> <li>Incentivize and retain key senior management personnel, thereby strengthening leadership capabilities and expanding management bandwidth.</li> <li>Institutionalise the SME Retail lending segment to ensure scalability, consistency, and operational excellence.</li> <li>Foster a performance-driven organisational culture, starting with the top management.</li> <li>The Company will strive to create value for all the stakeholders and these options will only be vested if specified targets are achieved.</li> <li>Further, the Employees will be entitled to exercise the options granted to them at the exercise price during the exercise period pursuant to Scheme.</li> </ul> |
| 8. | The details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the scheme would be exercised. | <p>The Trust would be considered as the registered Shareholder of the Company till the date of transfer of Shares to the Employees.</p> <p>However, the Trustees will not have any right to vote on the Equity Shares held by the Trust.</p> <p>Once the shares are transferred to the Employees upon their Exercise, then the Employees will be treated as the Shareholder of the Company and shall exercise the right to vote in respect of such shares.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

In terms of the Section 67(3) Companies Act, 2013, read with Rule 16 of Chapter IV of the Companies Act, 2013, the approval of the Shareholders is sought by way of Special Resolution for the approval for the provisioning of money to the Trust to fulfil the requirements of CSL Employee Stock Option Scheme 2025.

Therefore, your directors recommend the Resolutions as set out at **Item no. 14** for your approval by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the Options that may be granted under the said Scheme.



## Item No 16

### Approval of Material Related Party Transactions with CSL Capital Private Limited.

CSL Finance Limited is an Associate Company of CSL Capital Private Limited, as CSL Capital holds 29.19% equity stake in CSL Finance Limited. Accordingly, the two entities are considered Related Parties in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

CSL Capital Private Limited extends a Corporate Guarantee in favour of CSL Finance Limited for borrowings availed by CSL Finance Limited in the ordinary course of its business. Both CSL Capital and CSL Finance are registered Non-Banking Financial Companies (NBFCs).

Additionally, CSL Capital sometimes, provide short-term loans to CSL Finance Limited on an arm's length basis, at the weighted average cost of borrowing of CSL Finance Limited. These loans are generally repaid within the same financial year, and the gross exposure at any time does not exceed ₹20 crores.

The interest paid by CSL Finance Limited to CSL Capital on such loans, as a percentage of CSL Finance Limited's total turnover, remains below the materiality threshold as prescribed under Regulation 23 of SEBI LODR.

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section, the Company is required to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of an ordinary resolution in case the value of the Related Party Transactions exceed the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions in the ordinary course of business and on arm's length basis.

Further, Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") also stipulates that all material related party transactions with an aggregate value exceeding

₹ 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower shall require prior approval of the shareholders through ordinary resolution.

The Related Party Transactions ("RPTs") to be entered by CSL Finance Limited in aggregate as set out in this explanatory statement are expected to exceed threshold of material RPTs under Listing Regulations. These transactions are therefore considered as material related party transactions.

Accordingly, the related party transactions to be transacted/executed in one or more tranches by CSL Capital Private Limited as recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 12, 2025 are hereby placed before the shareholders for their approval. The transactions under consideration are proposed to be entered into by the Company with its group Company viz., CSL Capital Private Limited would be in the ordinary course of business and on arm's length basis.

Accordingly, in terms of the Master Circular of SEBI No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and upon the recommendations of Audit Committee and the Board of Directors at their respective meetings held on August 12, 2024 and considering the best interest of the Company, Members' approval is sought on the said material RPTs for a period of twelve months from April 1, 2025 to March 31, 2026.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023, the particulars of transactions to be entered into by the Company with its Material subsidiary Company viz. CSL Capital are as under:

#### **i. Name of the Related Party and its relationship with the listed entity or its material subsidiary, including nature of its concern or interest (financial or otherwise)**

CSL Finance Limited is associate Company of CSL Capital Private Limited and Mr. Rohit Gupta is common Director in both the Companies

#### **ii. Name of the Related Party and its relationship with the listed entity or its material subsidiary, including nature of its concern or interest (financial or otherwise)**

|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Nature                                                     | Loan and Guarantee/Security Transaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Duration/Tenure                                            | Year 2025-26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Material Terms/ Particulars of the Contract or Arrangement | The proposed transactions shall be governed by the Company's Related Party Transaction Policy and shall be reviewed by the Audit Committee on quarterly basis Material terms, particulars and conditions of the corporate guarantees and security documents are based on standard terms in such transactions which inter alia include securing the repayment of the facility at interest rates which are based on prevailing market price and commercial terms, enforcement of pledge and security interests (as applicable). |

**ii. Name of the Related Party and its relationship with the listed entity or its material subsidiary, including nature of its concern or interest (financial or otherwise) (Contd.)**

|                                                                                                               |                                                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Monetary Value                                                                                                | Maximum of ₹ 250 crores.                                                                                                                                                                                                                                                                                      |
| Details about Valuation/ Arm's Length and Ordinary Course of Business                                         | All such related party transactions entered by the Company are related to the day to day business operations of the Company and essential for its activities and are in the ordinary course of business of the Company. So far as pricing is concerned, all the transactions meets the arm's length criteria. |
| Any valuation or other external party report relied upon by the listed entity in relation to the transactions | Not applicable                                                                                                                                                                                                                                                                                                |

**iii. Rationale/benefit of the transactions with Related Party or the justification as to why the transactions with Related Party are in the interest of the Company.**

As explained in the explanatory statement.

**iv. Information about the transaction related to any loans, inter-corporate deposits, advances or investments made or given by the listed entity and/or its subsidiaries.**

- Details of the source of funds in connection with the proposed transaction: Not Applicable
- Details of financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: Not Applicable
- Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security: Not Applicable
- The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT: Not Applicable

**v. Any other information relevant or important for the members to take a decision on the proposed resolution/any other information that may be relevant.**

All relevant/ important information forms part of this explanatory statement setting out material facts pursuant to Section 102(1) of the Act.

Based on the information on Related Party Transactions, summarized in this Notice, the Audit Committee and the Board have unanimously approved entering into the aforesaid Related Party Transactions and have reviewed, noted and recommended that the approval of the members be sought for the resolution set out at Item No. 16.

The aforesaid Related Party Transactions with CSL Capital shall also be reviewed/ monitored by the Audit Committee of the Company as per requirements of the SEBI Listing Regulations and the Act and shall remain within the limits as approved by the members. Any subsequent material modifications in the proposed transactions, as defined by the Audit committee forming part of Company's policy on related party transactions available at [www.csfinance.in](http://www.csfinance.in) shall be placed before the members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations.

The Related Party Transactions with CSL Capital Private Limited shall not, in any manner, be detrimental to the interest of minority members and be in the best interest of the Company and its members.

None of the Directors except Mr. Rohit Gupta & Ms. Rachita Gupta and his/her relatives (to the extent of his shareholding in the Company, if any), and Key Managerial Personnel of the Company or their respective relatives, is concerned or interested, financially or otherwise, in the resolution.

Pursuant to Regulation 23 of the SEBI Listing Regulations, in respect of voting on this resolution, no related party shall vote to approve resolution set out at Item No. 16.



## Annexure-A to Item 3 & 9 of the Notice

Details of Directors seeking re-appointment at the 33<sup>rd</sup> Annual General Meeting of the Company pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meetings.

| Name of Director                                                                             | Mr. Ashok Kumar Kathuria                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DIN                                                                                          | 01010305                                                                                                                                                                                                                                                                                                                                                                            |
| Date of Birth                                                                                | February 24, 1959                                                                                                                                                                                                                                                                                                                                                                   |
| Designation/category of the Director                                                         | Executive Director                                                                                                                                                                                                                                                                                                                                                                  |
| Nationality                                                                                  | Indian                                                                                                                                                                                                                                                                                                                                                                              |
| Original date of appointment on Board                                                        | October 29, 2005                                                                                                                                                                                                                                                                                                                                                                    |
| Qualifications                                                                               | Bachelor of Arts                                                                                                                                                                                                                                                                                                                                                                    |
| Experience and expertise in specific functional area                                         | Mr. Kathuria has been associated with the Company since its inception. He has served the Company as Director since 2005 and holds experience in managing back-end operations, documents processing, liaisoning 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. |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | None                                                                                                                                                                                                                                                                                                                                                                                |
| Shareholding in the Company (as on March 31, 2025)                                           | Nil                                                                                                                                                                                                                                                                                                                                                                                 |
| Directorships held in other companies in India (as on March 31, 2025)                        | Nil                                                                                                                                                                                                                                                                                                                                                                                 |
| Chairperson/membership of Committees                                                         | <b>CSL Finance Limited:</b> <ul style="list-style-type: none"> <li>Corporate Social Responsibility Committee - Member</li> <li>Management Committee - Member</li> <li>Nomination &amp; Remuneration Committee - Member</li> <li>Stakeholders Relationship Committee - Member</li> <li>Committee of Executives - Member</li> </ul>                                                   |
| Number of meetings of the Board attended during the last Financial Year 2024-25              | 5/5                                                                                                                                                                                                                                                                                                                                                                                 |
| Details of remuneration paid in FY 24-25                                                     | -                                                                                                                                                                                                                                                                                                                                                                                   |
| Terms and conditions of re-appointment along with details of remuneration sought to be paid  | <ul style="list-style-type: none"> <li>To retire by rotation</li> <li>Remuneration: ₹ 9.60 Lakhs p.a.</li> </ul>                                                                                                                                                                                                                                                                    |
| Resignation from Listed Entities in past three years                                         | Nil                                                                                                                                                                                                                                                                                                                                                                                 |

## Annexure-B to Item 6 of the Notice

Details of Directors seeking re-appointment at the 33<sup>rd</sup> Annual General Meeting of the Company pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meetings.

| <b>Name of Director</b>                                                                      | <b>Mr. Parmod Bindal</b>                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DIN                                                                                          | 06389570                                                                                                                                                                                                                                                                                                                                                   |
| Date of Birth                                                                                | October 01, 1962                                                                                                                                                                                                                                                                                                                                           |
| Designation/category of the Director                                                         | Non-Executive Independent Director                                                                                                                                                                                                                                                                                                                         |
| Nationality                                                                                  | Indian                                                                                                                                                                                                                                                                                                                                                     |
| Original date of appointment on Board                                                        | June 27, 2022                                                                                                                                                                                                                                                                                                                                              |
| Qualifications                                                                               | Chartered Accountant                                                                                                                                                                                                                                                                                                                                       |
| Experience and expertise in specific functional area                                         | Mr. Parmod Bindal is 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 etc. He has also served as the Independent Director of Steel Authority of India from 2015 to 2019. |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | None                                                                                                                                                                                                                                                                                                                                                       |
| Shareholding in the Company (as on March 31, 2025)                                           | Nil                                                                                                                                                                                                                                                                                                                                                        |
| Directorships held in other companies in India (as on March 31, 2025)                        | Nil                                                                                                                                                                                                                                                                                                                                                        |
| Chairperson/membership of Committees                                                         | <b>CSL Finance Limited:</b><br>• Audit Committee- Chairperson                                                                                                                                                                                                                                                                                              |
| Number of meetings of the Board attended during the last Financial Year 2024-25              | 5/5                                                                                                                                                                                                                                                                                                                                                        |
| Resignation from Listed Entities in past three years                                         | Nil                                                                                                                                                                                                                                                                                                                                                        |



## Annexure-C to Item 7 of the Notice

Details of Directors seeking re-appointment at the 33<sup>rd</sup> Annual General Meeting of the Company pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meetings.

| <b>Name of Director</b>                                                                      | <b>Mr. Subhash Chand Kwatra</b>                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DIN                                                                                          | 08635939                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Date of Birth                                                                                | March 24, 1958                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Designation/category of the Director                                                         | Non-Executive Independent Director                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Nationality                                                                                  | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Original date of appointment on Board                                                        | June 27, 2022                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Qualifications                                                                               | Master of Business Administration (Finance)                                                                                                                                                                                                                                                                                                                                                                                                            |
| Experience and expertise in specific functional area                                         | Mr. Subhash Chand Kwatra has done his MBA with specialization in Finance from IGNOU, New Delhi. He is a post Graduate in Mathematical Statistics from Delhi University and is a certified Associate of 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 probationary officer in 1983 and retired as the Chief Financial Officer of the Bank in 2018. |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | None                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Shareholding in the Company (as on March 31, 2025)                                           | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Directorships held in other companies in India (as on March 31, 2025)                        | <ol style="list-style-type: none"> <li>1. CSL Capital Private Limited</li> <li>2. Patna Highway Projects Limited</li> <li>3. Grow Bucks Capital Private Limited</li> </ol>                                                                                                                                                                                                                                                                             |
| Chairperson/membership of Committees                                                         | <b>CSL Finance Limited:</b> <ul style="list-style-type: none"> <li>• Audit Committee- Member</li> <li>• Corporate Social Responsibility Committee – Member</li> <li>• IT Strategy Committee –Chairperson</li> <li>• IT Steering Committee-Chairperson</li> <li>• Nomination &amp; Remuneration Committee- Member</li> </ul>                                                                                                                            |
| Number of meetings of the Board attended during the last Financial Year 2024-25              | 5/5                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Resignation from Listed Entities in past three years                                         | PRO CLB Global Limited                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## Annexure-D to Item 8 of the Notice

Details of Directors seeking re-appointment at the 33<sup>rd</sup> Annual General Meeting of the Company pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meetings.

| <b>Name of Director</b>                                                                      | <b>Ms. Rachita Gupta</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| DIN                                                                                          | 09014942                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Date of Birth                                                                                | September 12, 1994                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Designation/category of the Director                                                         | Whole Time Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Nationality                                                                                  | Indian                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Original date of appointment on Board                                                        | December 30, 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Qualifications                                                                               | Master of Business Administration (Finance)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Experience and expertise in specific functional area                                         | <p>Ms. Rachita has done her Masters of Business Finance from Warwick Business School and completed her Graduation from Hansraj College. She started her career with Ernst &amp; Young and has experience in Analytics, Data Management, Industry Research and Digital Marketing &amp; Corporate Branding.</p> <p>She joined CSL Finance in 2017 and since then has played a key role in the rollout of the Retail lending segment of the Company. She has driven the implementation of the Loan Origination System within the Company, and has been driving the various MIS reports that are key to running the retail lending business successful.</p> |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | Ms. Rachita Gupta and Mr. Rohit Gupta (Managing Director of the Company) are related being father and daughter.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Shareholding in the Company (as on March 31, 2025)                                           | 58,503 equity shares (0.26 %)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Directorships held in other companies in India (as on March 31, 2025)                        | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Chairperson/membership of Committees                                                         | <b>CSL Finance Limited:</b> <ul style="list-style-type: none"> <li>Corporate Social Responsibility Committee – Chairperson</li> <li>Internal Complaints Committee- Chairperson</li> <li>It Strategy Committee- Member</li> <li>IT Steering Committee - Member</li> <li>Information Security Committee – Member</li> <li>Asset Liability Management Committee- Member</li> <li>Risk Management Committee- Member</li> <li>Committee of Executives- Member</li> </ul>                                                                                                                                                                                     |
| Number of meetings of the Board attended during the last Financial Year 2024-25              | 5/5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Details of remuneration paid in FY 24-25                                                     | ₹ 30 Lakhs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Terms and conditions of re-appointment along with details of remuneration sought to be paid  | Remuneration: ₹ 30 Lakhs. Per annum                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Resignation from Listed Entities in past three years                                         | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

# Directors' Report

## Dear Members,

Your directors have pleasure in presenting the Thirty-third (33<sup>rd</sup>) Annual Report, together with the Audited Financial Statement of the Company for the Financial Year ended March 31, 2025 ("FY 2025").

## FINANCIAL HIGHLIGHTS

The Audited Financial Statements of your Company as on March 31, 2025, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act").

## A Summary of the Company's Financial Performance for the F.Y. 2025 is as follows:

(Amount in ₹ Lakhs)

|                                             | Current Year<br>31-03-2025 | Previous Year<br>31-03-2024 |
|---------------------------------------------|----------------------------|-----------------------------|
| <b>Revenue from operations</b>              | 21506.08                   | 16564.87                    |
| Other Income                                | 98.23                      | 93.62                       |
| <b>Total Revenue from Operations/Income</b> | <b>21604.31</b>            | <b>16658.49</b>             |
| <b>Expenses</b>                             |                            |                             |
| Operating Expenses                          | 10514.72                   | 6991.85                     |
| Depreciation, amortization and impairment   | 172.00                     | 137.75                      |
| Other Expenses                              | 1229.46                    | 969.29                      |
| <b>Total Expenses</b>                       | <b>11916.19</b>            | <b>8098.89</b>              |
| Profit/loss before Tax                      | 9688.12                    | 8559.60                     |
| <b>Less: Tax Expenses</b>                   | <b>(2478.84)</b>           | <b>(2223.4)</b>             |
| <b>Profit for the year</b>                  | <b>7209.27</b>             | <b>6336.20</b>              |

## PERFORMANCE REVIEW

CSL Finance has built a sustainable foundation to accelerate its growth. Its customer-centric products, transparency in operations, relentless focus on customer convenience and investment in technology has helped accelerate its operations. CSL Finance is in the business of fostering the financial inclusion of unbanked and underserved SMEs, Real estate and non-real estate Corporates through flexible ticket size loans.

Its income during the year grew by 30% to ₹ 216 Cr in FY25 from ₹ 167 Cr in FY24. Profit After Tax (PAT) increased by 14% to ₹ 72 Cr in FY25 from ₹ 63 Cr in FY24, an increase of AUM by 16% to ₹ 1195 Cr in FY25 from ₹ 1030 Cr in FY24. The Net Worth increased by 14% from ₹ 475 Cr in FY24 to ₹ 542 Cr in FY25. The GNPA in FY25 is 0.46% as compared to 0.44% in FY24.

The Company had 43 branches across India as on March 31, 2025. A detailed analysis of the operational performance and state of affairs of the Company has been discussed in detail in the Management Discussion and Analysis Report and Corporate Overview section of this Annual Report.

## Depreciation and Finance Costs

During the year under review, Depreciation was ₹ 1.72 Cr as compared to ₹ 1.37 Cr for the previous year. Finance costs for FY 24 was ₹ 64.91 Cr as compared to ₹ 42.93 Cr for the previous year.

## Borrowings

The Total borrowings stood at ₹ 694.94 Cr as on March 31, 2025 as against ₹ 503.22 Cr as on March 31, 2024.

## Capital Adequacy Ratio

Your Company's total Capital Adequacy Ratio (CAR) as on March 31, 2025 stood at 46.95% as compared to 51.17% as on March 31, 2024.

## DIVIDEND

Your Directors' are pleased to recommend a final dividend of 30% (₹ 3.00/- per equity share) of face value of ₹ 10/- each fully paid up for the year ended March 31, 2025 on equity share capital of ₹ 22,78,26,210/- subject to declaration by Members at the ensuing 33<sup>rd</sup> Annual General Meeting of the Company.

Your Company has maintained track record of consistent growth in dividend distribution.



The dividend, if declared, at the ensuing AGM will be taxable in the hands of the members of the Company pursuant to Income Tax Act, 1961.

## TRANSFER TO RESERVES

Under section 45-IC (1) of Reserve Bank of India ('RBI') Act, 1934, non-banking financial companies ('NBFCs') are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, CSL Finance (the 'Company', or 'CSL') has transferred a sum of ₹ 14.42cr to its reserve fund.

## SHARE CAPITAL

As on March 31, 2025, the Share Capital of the Company stood at:

|                                               |                                                                         |
|-----------------------------------------------|-------------------------------------------------------------------------|
| <b>Authorised Capital</b>                     | ₹ 23,00,00,000/- (2,30,00,000 equity shares of ₹ 10 each fully paid-up) |
| <b>Issued, Subscribed and Paid-Up Capital</b> | ₹ 22,78,26,210 (2,27,82,621 equity shares of ₹ 10 each fully paid-up)   |

## EMPLOYEE STOCK OPTION SCHEME ('ESOS')

The Company has CSL (Employee Stock Option Scheme), 2016 which is prepared as per the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 ('SBEB Regulations'). The said scheme was approved by shareholders vide Special Resolution dated September 30, 2016.

7,00,000 options are covered under the CSL ESOS, 2016 which is administered through CSL Employees Welfare Trust ('ESOP Trust').

During the year under review, there was no material change in said scheme of our Company. As per Regulation 14 of "SBEB Regulations", read with SEBI circular no. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015, the details of the "ESOS" are uploaded on our corporate website at <https://www.csloffinance.in/>

A certificate from Secretarial Auditor of the Company confirming that the Scheme has been implemented in accordance with the applicable Regulations would be made available for inspection by Members through electronic means.

The details of the scheme along with grant wise details of options vested, exercised and cancelled have been disclosed in Note 35 to the Financial Statements forming an integral part of the Annual Report.

## CREDIT RATING

During F.Y. 2024-25, Credit Rating for the Company has been A- | Stable from Acuite Ratings & Research.

## CORPORATE GOVERNANCE

Your Company continues to lay a strong emphasis on transparency, accountability and integrity. The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance. As provided under Section 134 of the Companies Act, 2013 and Rules framed thereunder and pursuant to Regulation 34(2) (d) of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report on Corporate Governance along with necessary certificates is annexed and forms part of this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In accordance with Regulation 34 of LODR Regulations, the Management Discussion and Analysis Report is presented in a separate section, forming part of this Annual Report.

## DEPOSITS

Being a non-deposit taking Company, your Company has not accepted any deposits from the public within the meaning of the provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 and provisions of Companies Act, 2013.

## RBI GUIDELINES

Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

As per the Master Directions, regulatory structure for NBFCs shall comprise of four layers based on their size, activity, and perceived riskiness. NBFCs in the lowest layer shall be known as NBFC - Base Layer (NBFC-BL), NBFCs in middle layer and upper layer shall be known as NBFC - Middle Layer (NBFC-ML) and NBFC - Upper Layer (NBFC-UL), respectively. RBI may, based on the size of an NBFC, classify some of them as NBFC- Top Layer.

In line with this framework, and based on the Company's **asset size exceeding ₹ 1,000 crore during the year**, the Company has been **reclassified from the Base Layer** to the Middle Layer of the regulatory structure. This transition subjects the Company to enhanced regulatory requirements in terms of governance, risk management, and compliance, as stipulated under the SBR framework.

The Company continues to comply with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and all the applicable laws, regulations, guidelines, etc. prescribed by RBI from time to time.

During the reporting year, the Reserve Bank of India ('RBI') has conducted a statutory inspection of the Company under the applicable provisions of the RBI Act and has issued an Inspection and Risk Assessment Report. The said report outlines key observations, compliance requirements, and risk-related findings identified during the course of the inspection.

The Company is in the process of taking necessary corrective actions and implementing the recommendations provided by the RBI to ensure full regulatory compliance and to strengthen the internal control framework.

### DISCLOSURE OF BREACH OF COVENANT

In compliance with RBI Master Direction – Scale Based Regulation (SBR) for NBFCs, the Company confirms that there have been no instances of breach of covenants in respect of loans availed or debt securities issued during the financial year.

### SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no subsidiary, Joint Ventures or Associate Companies during the year under review.

### NUMBER OF MEETINGS OF THE BOARD

Five (5) meetings of the Board were held during FY 2024-25. Details of the meetings and attendance thereat forms part of the Corporate Governance Report.

### COMMITTEES OF THE BOARD

The Board of the Directors of the Company has constituted various Committees including the following:

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Corporate Social Responsibility Committee
- IV. Stakeholders' Relationship Committee

The Board has accepted all the recommendations of the above committees.

The details about Composition of various Committees pursuant to SEBI (LODR) and RBI Master Directions and their Meetings are stated in brief in the Corporate Governance Report forming part of this Report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2025, the Board of the Company consists of seven Directors and two Key Managerial Personnel:

| Directors                   | DIN      | Category                               |
|-----------------------------|----------|----------------------------------------|
| Mr. Rohit Gupta             | 00045077 | Managing Director                      |
| Ms. Rachita Gupta           | 09014942 | Whole Time Director                    |
| Mr. Ashok Kumar Kathuria    | 01010305 | Director                               |
| Mr. Parmod Bindal           | 06389570 | Independent Director                   |
| Mr. Subhash Chand Kwatra    | 08635939 | Independent Director                   |
| Mr. Anirudha Kumar*         | 00084495 | Independent Director                   |
| Ms. Alaktika Banerjee*      | 11006663 | Independent Director                   |
| Mr. Naresh Chandra Varshney | 00838363 | Chief Financial Officer                |
| Ms. Preeti Gupta            | -        | Company Secretary & Compliance Officer |

\*Mr. Anirudha Kumar and Ms. Alaktika Banerjee were appointed on the Board as Independent Directors w.e.f., March 18, 2025.

The composition of the Board is as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on March 31, 2025, there was no disqualification of any Director pursuant to Section 164 (2) of the Companies Act, 2013. A certificate has been received from M/s. Jasvinder Kaur & Co., Company Secretaries, Ghaziabad, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed to this Report as **Annexure-A**.

The other details with respect to the Board of Directors are given in the Corporate Governance section forming part of this Report.

### **a) Change in Directorate in F.Y. 2024-25**

#### **Cessation**

During the financial year, Mr. Ayussh Mittaal (DIN: 07667437) resigned from the position of Independent Director effective from the close of business on March 06, 2025. The Board of Directors took note of his resignation at its meeting held on March 18, 2025.

He subsequently joined the Company as President-Audit w.e.f., April 04, 2025.

Additionally, Mr. Anirudha Kumar and Ms. Alaktika Banerjee were appointed on the Board as Independent Directors w.e.f., March 18, 2025.

### **b) Directors liable to retire by rotation**

Mr. Ashok Kathuria, who retires by rotation at the ensuing Annual General Meeting (AGM) pursuant to the provisions of the Companies Act, 2013 and the Articles of Association of the Company, being eligible, has offered himself for re-appointment.

Further, the Board of Directors has approved the change in designation of Mr. Kathuria from Non-Executive Director to Executive Director, subject to the approval of shareholders at the AGM.

Brief profile and other relevant details of Mr. Ashok Kathuria, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2, are provided in the annexure to the Notice of the AGM.

### **c) KMPs**

During the year under review, there was no change in the KMPs.

### **Appointment of Senior Managerial Personnel in F.Y. 2024-25**

The Board of Directors appointed Ms. Preeti Gupta, Company Secretary & Compliance Officer as the Chief Compliance Officer (CCO) of the Company w.e.f., June 26, 2025 in accordance with the guidelines issued by the Reserve Bank of India vide Circular No. Ref.No.DoS.CO.PPG./SEC.01/11.01.005/2022-23 dated April 11, 2022 in place of Mr. Atul Agrawal who stepped down from the said position w.e.f., June 23, 2025. She is also designated as a Senior Management Personnel, and her appointment as CCO is for a term of three years, effective from June 26, 2025.

Also, the Board of Directors had appointed below senior management personnel:

| <b>Name</b>         | <b>Designation</b>                        | <b>Date of Appointment</b> |
|---------------------|-------------------------------------------|----------------------------|
| Mr. Nikhil Singh    | Chief Information Security Officer (CISO) | 31.07.2024                 |
| Mr. Amit Kaul       | Chief Technology Officer                  | 01-04-2024                 |
| Mr. Ranjan Banerjee | Zonal Credit Manager-SME                  | 13-01-2025                 |

Mr. Chandan Kumar was promoted as Head- Strategy & Business and Mr. Chirag Gupta as Credit Head and Mr. Sachin Shah as Zonal Sales Manager w.e.f., January 01, 2025.

Mr. Amit Ranjan resigned from the position of Chief Operating Officer w.e.f., January 01, 2025.

This promotion/appointment underscores the Company's commitment to strengthening its compliance function and ensuring adherence to the evolving regulatory landscape in the financial services sector.

### **Fit and Proper and Non-Disqualification Declaration by Directors**

All the Directors of the Company have confirmed that they satisfy the 'fit and proper' criteria as prescribed under Chapter XI of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, and that they are not disqualified from being appointed/re-appointed/continuing as Director in terms of Section 164(1) and (2) of The Companies Act, 2013.



## DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under Section 149(6) of the Act read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act.

The Company has received the following declarations from all the Independent Directors confirming that:

- i. They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company; and
- ii. They have registered themselves with the Independent Director's Database maintained by the IICA.

### Women Directors

In terms of the provisions of Section 149 of the Companies Act, 2013, and Regulation 17 (1) (a) of the SEBI (LODR) Regulations, 2015, the Company shall have at least one-Woman Director on the Board. Your Company has Ms. Rachita Gupta (DIN: 09014942)

and Ms. Alaktika Banerjee (DIN: 11006663) as the Women Directors on the Board of the Company.

## BOARD EVALUATION

Pursuant to the provisions of the Act, and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non - Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

## TRANSACTIONS WITH RELATED PARTIES

The Board of Directors of the Company has formulated a policy on dealing with Related Party Transactions, pursuant to the applicable provisions of the Act and SEBI Listing Regulations. The same is displayed on the website of the Company at <https://www.cslfinance.in/codes-and-policies>. This policy deals with the review and approval of related party transactions. During the year under review, all the related party transactions were entered in the ordinary course of business and on arm's length basis. All related party transactions as required under Indian Accounting Standards - 24 (Ind AS-24) are reported in Note - 47 of Financial Statements.

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no related party transactions that are required to be reported under Section 188(1) of the Act in the prescribed Form AOC-2.

## FRAUD MONITORING REPORTING

RBI vide Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) dated 15 July 2024, has amended the fraud monitoring framework for NBFCs. In terms of the same, the Company has constituted an Executive Committee of the Board titled "Executive Committee for Monitoring and follow up of cases of fraud" (hereinafter referred as 'FMC'). The Composition is as follows:

| S.no | Name of Member       | Category |
|------|----------------------|----------|
| 1.   | Rohit Gupta          | Chairman |
| 2.   | Rachita Gupta        | Member   |
| 3.   | Ashok Kumar Kathuria | Member   |

The Committee, inter alia, will oversee the effectiveness of the fraud risk management and review and monitor cases of frauds, including root cause analysis and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds.

### **DETAILS OF FRAUD, IF ANY REPORTED BY AUDITORS (OTHER THAN REPORTABLE TO CENTRAL GOVERNMENT)**

There was no instance of fraud in the Company by its officers or employees during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed there under.

### **FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

In compliance with the requirement of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations"), the Company has put in place a familiarization programme for the Independent & Non-Executive Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the such familiarisation programme are available on the website of the Company at <https://www.csfinance.in/codes-and-policies>.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013 with respect to Directors responsibility statement, the Directors of the Company hereby confirm that:

- i) In preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets

of the Company and for preventing and detecting fraud and other irregularities.

- iv) Directors have prepared the annual accounts on a going concern basis.
- v) The Directors have laid down internal financial controls as the Company that are adequate and were operating effectively.
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Board has framed a policy on the recommendation of the Nomination and Remuneration Committee relating to remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees, along with the criteria for appointment and removal of the Directors, Key Managerial Personnel and Senior Management of the Company.

The policy is available at Company's website at <https://www.csfinance.in/codes-and-policies>. The other details with respect to committee composition and meetings are given in the Board of Directors Section of Corporate Governance Report annexed to this Report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company have been disclosed in the notes to the Financial Statements.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The same is posted on the website of the Company at <https://www.csfinance.in/codes-and-policies>.

As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the workplace.

## Complaints Details in F.Y. 2024-25

| Particulars                                   | Status |
|-----------------------------------------------|--------|
| No. of complaints received during the year    | 0      |
| No. of complaints disposed of during the year | 0      |
| No. of cases pending for more than 90 days    | 0      |

### MATERNITY BENEFIT ACT, 1961

The Company has complied with the applicable provisions of Maternity Benefit Act, 1961.

### FAIR PRACTICE CODE (FPC)

The Company has in place, a Fair Practice Code approved by the Board in compliance with the guidelines issued by the RBI, to ensure better service and provide necessary information to customers to take informed decisions. The FPC is posted on the website of the Company at <https://www.csloffinance.in/codes-and-policies>. The FPC is also reviewed by the Board at frequent intervals to ensure its level of adequacy and appropriateness.

### CODE FOR PREVENTION OF INSIDER TRADING

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted (i) the code of practices and procedures for fair disclosure of unpublished price sensitive information and (ii) the code of conduct to regulate, monitor and report trading by insiders, in terms of the said Regulations.

### CODE OF CONDUCT FOR DIRECTORS AND EMPLOYEES

The Company has adopted a Code of Conduct for its Directors and employees including a code of conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The said Codes can be accessed on the Company's website at <https://www.csloffinance.in/codes-and-policies>. In terms of the Listing Regulations, all Directors and Senior Management Personnel have affirmed compliance with their respective codes. The Managing Director has also confirmed and certified the same, for which the certification is provided at the end of the Report on Corporate Governance.

## AUDITORS & THEIR REPORT

### Statutory Auditors:

M/s. S.P. Chopra & Co., Chartered Accountants, conducted the statutory audit for the financial year 2024-25. There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors in their Audit Report for the financial year 2024-25.

The Reserve Bank of India (RBI), through its circular DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021, issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) for Commercial Banks (excluding RRBs), Urban Cooperative Banks (UCBs), and Non-Banking Financial Companies (NBFCs), including Housing Finance Companies (HFCs).

As per the said guidelines, for non-deposit taking NBFCs with an asset size of ₹ 1,000 crore and above, the tenure of the Statutory Auditors shall not exceed three continuous years. After completion of such a tenure, a cooling-off period of six years is applicable before the same audit firm can be reappointed.

M/s. S.P. Chopra & Co., Chartered Accountants (Firm Registration No. 000346N), Delhi, were appointed as the Statutory Auditors of the Company at the 30<sup>th</sup> Annual General Meeting held on September 26, 2022 for a period of five years, i.e., until the conclusion of the 35<sup>th</sup> AGM. At the time of appointment, the asset size of the Company was below ₹ 1,000 crore, and as per the RBI circular, such NBFCs were permitted to continue with the extant procedure of auditor appointment under the Companies Act, 2013.

Subsequently, the asset size of the Company has crossed ₹ 1,000 crore, thereby attracting the mandatory compliance of the above-stated RBI circular. In view of this, M/s. S.P. Chopra & Co. have completed their permissible tenure of three continuous years as the Statutory Auditors and are not eligible to conduct the audit for the next financial year and have confirmed completion of their tenure vide letter dated August 12, 2025.

Accordingly, the Board of Directors, at their meeting held on August 12, 2025, has, based on the recommendation of the Audit Committee, proposed the appointment of M/s. S.R. Dinodia & Co. LLP, Chartered Accountants (Firm Registration No. 001478N/N500005), Delhi, as the Statutory Auditors of the Company for a term of three consecutive years, from the conclusion of this 33<sup>rd</sup> AGM until the conclusion of the 36<sup>th</sup> AGM (i.e., for FY 2025-26 to FY 2027-28), subject to the approval of the shareholders. Brief profile and other details of M/s. S.R. Dinodia & Co. LLP, Chartered Accountants are disclosed in the AGM Notice approved by the Board.

The Statutory Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.



M/s. S.R. Dinodia & Co. LLP have furnished their consent to act as the Statutory Auditors of the Company and confirmed that their appointment, if made, will be in accordance with the provisions of the Companies Act, 2013, and the aforesaid RBI circular.

### **Auditors Report:**

The notes on the financial statement referred in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report to the Members for the year under review is unmodified, i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

### **Secretarial Auditors:**

Pursuant to the amended provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors have approved and recommended the appointment of M/s. Jasvinder Kaur & Co., Practicing Company Secretary, Ghaziabad as the Secretarial Auditor of the Company for a term of 5 (Five) consecutive years from the FY 2025-26 till FY 2029-30, subject to the approval of the Members at ensuing AGM. Brief profile and other details of M/s. Jasvinder Kaur & Co., Practicing Company Secretary, are disclosed in the AGM Notice approved by the Board. Ms. Jasvinder has given her consent to act as Secretarial Auditor of the Company and have confirmed her eligibility for the appointment.

The Secretarial Auditor have confirmed that they have subjected themselves to the peer review process of Institute of Company Secretaries of India (ICSI) and hold valid certificate issued by the Peer Review Board of the ICSI.

The Secretarial Audit Report issued by M/s. Jasvinder Kaur & Co., Practicing Company Secretary, for FY 2024-25 is attached as Annexure 'B' forming part of this Board Report. The Secretarial Audit Report does not contain any qualification, reservation or disclaimer or adverse remark.

### **Internal Auditors:**

The Board has re-appointed M/s. R. Mahajan & Associates (FRN: 011348N), Chartered Accountants, Delhi as the Internal Auditors of the Company in its Board Meeting held on May 23, 2025 for the Financial Year 2025-26. The Internal Audit report is submitted every quarter before the Audit Committee by the Internal Auditors

### **ANNUAL RETURN**

A copy of the Annual Return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is hosted on the Company's website at <https://www.csfinance.in/annual-general-meeting>

## **COMPLIANCE ON SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Board constituted a Corporate Social Responsibility ("CSR") Committee in terms of the provisions of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance report, forming part of this Report. The policy is available on the website of the Company at <https://www.csfinance.in/cslfoundation-csr>

Annual Report on CSR activities, as required under Sections 134 and 135 of the Companies Act, 2013 read with Rule 8 of the (Corporate Social Responsibility Policy) Rules, 2014, as amended ("CSR Rules") is provided as Annexure- C to this report.

## **MEETING OF INDEPENDENT DIRECTORS**

During the year under review, the meeting of Independent directors was held on March 24, 2025, to review the performance of Non-Independent Directors, the Board as a whole and the Chairperson of the Company; and also to assess the quality, quantity and timelines of flow of information between the Company management and the Board in line with the requirement of Listing Regulations, 2015 read with applicable provisions of Schedule IV of the Companies Act, 2013.

## **CASH FLOW STATEMENT**

The cash flow Statement for year ended March 31, 2025 is in conformity with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with the Stock Exchanges in India, is annexed herewith.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Vigil Mechanism Policy aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of Directors and Employees and ensures that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviours. A copy of the Policy is available on the website of the Company at <https://www.csfinance.in/codes-and-policies>

## MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

A Certificate from Mr. Rohit Gupta, Managing Director and Mr. Naresh Chandra Varshney, Chief Financial Officer, pursuant to provisions of SEBI (LODR) Regulations, 2015, for the year under review was placed before the Board of Directors of the Company at its meeting held on May 23, 2025 and the same does not contain any adverse remark or disclaimer.

## PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH

The requirements of disclosure with regard to Conservation of Energy in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company since it doesn't own any manufacturing facility.

## INTERNAL FINANCIAL CONTROLS

Your Company has an adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets commensurate with its size, scale and complexities of its operations. The internal auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. All the transactions are properly authorised, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

## UNCLAIMED DIVIDEND TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund ('IEPF') pursuant to the provisions of the Companies Act, 2013 read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends of Shareholders for the Financial Year 2017-18 lying in the unclaimed dividend account of the Company as on September 16, 2025 will be transferred to IEPF on the due date i.e. November 05, 2025. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a consecutive period of seven years from the date of transfer of the dividend to the unpaid dividend

account is also mandatorily required to be transferred to the IEPF Authority established by the Central Government. Accordingly, the Company will transfer the unclaimed dividend and eligible Shares to IEPF Demat Account within statutory timelines.

## DISCLOSURE PURSUANT TO RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure-D** and forms part of this Report.

Other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure-D** and forms part of this Report.

## LISTING OF SHARES

The shares of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The applicable listing fees for the year up to F.Y. 2025-26 have been duly paid to BSE Limited and NSE Limited.

## OTHER DISCLOSURES AND REPORTING

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions on these items during the year under review:

- There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company and the date of the Directors' report.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Significant or material orders passed by the regulators or courts or tribunal which impacts the going concern status and Company's operations in future.
- There was no change in the nature of business of the Company.
- There were neither any applications filed by or against the Company nor any proceedings were pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- During the year under review, there was no instance of one-time settlement with Banks or Financial Institutions. Hence, the reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are

not reported as per Rule 8(5)(xii) of Companies (Accounts) Rules, 2014.

- The Company has not defaulted in repayment of loans from banks and financial institutions. There were no delays or defaults in payment of interest/principal of any of its debt securities.
- The provision of Section 148 of the Act relating to maintenance of cost records and cost audit are not applicable to the Company.
- The equity shares of the Company were not suspended from trading during the year on account of corporate actions or otherwise.

- The Company has not accepted any fixed deposits under Chapter V of the Companies Act, 2013 and as such no amount of principal and interest were outstanding as on 31 March 2025.

## APPRECIATION

The Board of Directors would like to place on record their gratitude for the guidance and cooperation extended by Reserve Bank of India and the other regulatory authorities. The Board takes this opportunity to express its sincere appreciation for the excellent patronage received from the Banks and Financial Institutions and for the continued enthusiasm, total commitment, dedicated efforts of the executives and employees of the Company at all levels. We are also deeply grateful for the continued confidence and faith reposed on us by all the Stakeholders.

For and behalf of the Board  
of **CSL Finance Limited**

**Date:** 12.08.2025  
**Place:** Noida

**Rohit Gupta**  
(Managing Director)  
DIN: 00045077

**Ashok Kumar Kathuria**  
(Director)  
DIN: 01010305



# Annexure-A

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations)=

To,  
The Members of  
**CSL Finance Limited**

As required by item 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I certify that none of the directors (mentioned below) on the board of CSL Finance Limited as on 31.03.2025 have been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority:

| S. No. | Name of Director         | DIN      | Designation            |
|--------|--------------------------|----------|------------------------|
| 1      | Mr. Rohit Gupta          | 00045077 | Managing Director      |
| 2      | Mr. Ashok Kumar Kathuria | 01010305 | Non-Executive Director |
| 3      | Mr. Parmod Bindal        | 06389570 | Independent Director   |
| 4      | Mr. Subhash Chand Kwatra | 08635939 | Independent Director   |
| 5      | Ms. Rachita Gupta        | 09014942 | Whole-Time Director    |
| 6      | Mr. Anirudha Kumar       | 00084495 | Independent Director   |
| 7      | Ms. Alaktika Banerjee    | 11006663 | Independent Director   |

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Jasvinder Kaur & Co.**  
(Company Secretaries)

**Jasvinder Kaur**  
(Practicing Company Secretary)  
M. No.: F7244  
COP No.: 7700  
UDIN.: F007244G000779059  
Peer Review Certificate No.: 984/2020

**Place:** Ghaziabad  
**Date:** 15.07.2025

# Annexure-B

## FORM NO. MR- 3

### Secretarial Audit Report

#### For the financial year ended 31<sup>st</sup> March, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members of  
**CSL Finance Limited**

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CSL Finance Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me & maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions (whichever applicable) of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable)
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (e) The Securities & Exchange Board of India ((Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the Client;
- (f) The other regulations of Securities and Exchange Board of India as may be applicable to the Company.
- (g) NBFC – The Reserve Bank of India Act, 1934 and all applicable laws, Rules, Regulations, Guidelines, Circulars, Notifications etc.

I have also examined compliance with the applicable clauses of the following: -

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii) The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' view are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned.

**I further report that** during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc referred to above.

The Shareholders at their 32<sup>nd</sup> Annual General Meeting held on 21.09.2024 approved the final dividend of ₹ 2.5/- per equity share to the equity shareholders of the Company.

**For Jasvinder Kaur & Co.**  
(Company Secretaries)

**Jasvinder Kaur**  
(Practicing Company Secretary)  
M. No.: F7244  
COP No.: 7700  
UDIN.: F007244G000784823  
Peer Review Certificate No.: 984/2020

**Place:** Ghaziabad  
**Date:** 15.07.2025

**Note:** This Report is to be read along with attached Letter provided as **"Annexure - I"**.



**ANNEXURE - I**

To,  
The Members of  
**CSL Finance Limited**

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Jasvinder Kaur & Co.**  
(Company Secretaries)

**Jasvinder Kaur**  
(Practicing Company Secretary)  
M. No.: F7244  
COP No.: 7700  
UDIN.: F007244G000784823  
Peer Review Certificate No.: 984/2020

**Place:** Ghaziabad  
**Date:** 15.07.2025

# Annexure-C

## ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

### 1. Brief outline on CSR Policy of the Company

The Company's CSR Policy has been framed within the objectives prescribed under Schedule VII of the Companies Act, 2013 as per the following Vision and Objective:

#### 1. Vision:

Through CSL's long standing commitment to service to the society, we strive to attain leadership in our business through a socially and environmentally responsible way, while taking care of the interests of our stakeholders. CSL strongly believes that Corporate Social Responsibility is connected with the principles of sustainable growth and hence recognizes the immense opportunity it has to bring about a positive change in the lives of the communities through its business operations and CSR activities. CSL Finance Limited through its own registered public trust- CSL Foundation which is acting as the implementing agency for CSL Finance is dedicated towards corporate social responsibility by giving back to the community through implementing sustainable and

innovative CSR activities. CSL Foundation's Vision & Mission is to develop the capacity of the community through empowering & enlightening the life of underprivileged Children, Women and indigents by promoting Education, Women Empowerment and Health.

#### 2. Objective:

CSL's CSR Policy intends to:

- Strive for economic development that positively impacts the society at large with minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities by promoting Education (b) Women Empowerment (c) Health and (g) other allied activities.

CSR activities proposed to be undertaken by the Company shall be in pursuance to Section 135 read with Schedule VII, as amended from time to time, of the Companies Act, 2013.

### 2. Composition of CSR Committee:

| S. No. | Name of Director         | Designation | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|--------------------------|-------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1.     | Mr. Rohit Gupta          | Member      | 3                                                        | 3                                                            |
| 2.     | Mr. Ashok Kumar Kathuria | Member      | 3                                                        | 3                                                            |
| 3.     | Ms. Rachita Gupta        | Chairperson | 3                                                        | 3                                                            |
| 4.     | Mr. Subhash Chand Kwatra | Member      | 3                                                        | 3                                                            |

### 3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

<https://www.csloffinance.in/cslfoundation-csr>

### 4. Details of Impact assessment of CSR projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

In pursuance to Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Impact assessment is not applicable to the Company since the average CSR obligation in pursuance of Sub-Section (5) of Section 135 of the Act, for immediately previous 3 years is less than 10 Crore rupees.

### 5. Details of the amount available for set off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any.

0

|           |                                                                                                         |                |
|-----------|---------------------------------------------------------------------------------------------------------|----------------|
| <b>6.</b> | Average Net Profit of the Company as per Section 135(5).                                                | ₹ 63,96,04,870 |
| <b>7.</b> | (a). Two percent of average Net Profit of the Company as per Section 135(5)                             | ₹ 1,27,92,097  |
|           | (b). Surplus arising out of the CSR Projects or Programs or activities of the previous Financial Years. | 0              |
|           | (c). Amount required to be set off for the Financial Year, if any                                       | 0              |
|           | (d). Total CSR obligation for the Financial Year (7a+7b-7c).                                            | ₹ 1,27,92,097  |

**8. (a). CSR amount spent or unspent for the Financial Year 2024-25:**

| Total Amount Spent for the Financial Year.<br>(in ₹): | Amount Unspent (in ₹)                                                  |                   |                                                                                                      |         |                   |
|-------------------------------------------------------|------------------------------------------------------------------------|-------------------|------------------------------------------------------------------------------------------------------|---------|-------------------|
|                                                       | Total Amount transferred to Unspent CSR Account as per Section 135(6). |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5). |         |                   |
|                                                       | Amount.                                                                | Date of transfer. | Name of the Fund                                                                                     | Amount. | Date of transfer. |
| 1,27,92,097                                           | Nil                                                                    | Nil               | N.A.                                                                                                 | N.A.    | N.A.              |

**(b). Details of CSR amount spent/allocated against ongoing projects for the Financial Year 2024-45: Nil**

| (1)    | (2)                 | (3)                                                         | (4)                 | (5)                      |          | (6)              |                                          |                                                   | (7)                                                                                     | (8)                                      |                                                      |                         |
|--------|---------------------|-------------------------------------------------------------|---------------------|--------------------------|----------|------------------|------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------|-------------------------|
| S. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project. |          | Project Duration | Amount allocated for the project (in ₹). | Amount spent in the current financial Year (in ₹) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹). | Mode of Implementation – Direct (Yes/No) | Mode of Implementation – Through Implementing Agency |                         |
|        |                     |                                                             |                     | State                    | District |                  |                                          |                                                   |                                                                                         |                                          | Name                                                 | CSR Registration Number |

**(c). Details of CSR amount spent against other than ongoing projects for the Financial Year.**

| (1)    | (2)                 | (3)                                                         | (4)                 | (5)                                        | (6)                                 | (7)                                      | (8)                                                                                  |
|--------|---------------------|-------------------------------------------------------------|---------------------|--------------------------------------------|-------------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|
| S. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project.<br>State District | Amount spent for the project (in ₹) | Mode of Implementation – Direct (Yes/No) | Mode of Implementation – Through Implementing Agency<br>Name CSR Registration Number |
| 1.     | Sakshar             | (i)                                                         | Yes                 | U.P. Noida                                 | 1,21,02,097                         | Yes                                      | CSL Foundation CSR00025548                                                           |
| 2.     | Arogya              | (i)                                                         | Yes                 | U.P. Noida                                 | 60,000                              | Yes                                      | CSL Foundation CSR00025548                                                           |

**(d). Amount spent in Administrative Overheads.**

₹ 6,30,000

**(e). Amount spent on Impact Assessment, if applicable.**

As per Point 4 of this Report, Impact Assessment is not applicable. Hence, no amount was spent under this head.

**(f). Total amount spent for the Financial Year (8b+8c+8d+8e).**

₹ 1,27,92,097



**(g). Excess amount for set off, if any ₹ 31,42,880**

| S. No. | Particulars                                                                                                         | Amount (in ₹) |
|--------|---------------------------------------------------------------------------------------------------------------------|---------------|
| (i).   | Two percent of average Net Profit of the Company as per Section 135(5)                                              | ₹ 1,27,92,097 |
| (ii).  | Total amount spent for the Financial Year                                                                           | ₹ 1,59,34,977 |
| (iii). | Excess amount spent for the Financial Year [(ii)-(i)]                                                               | ₹ 31,42,880   |
| (iv).  | Surplus arising out of the CSR Projects or Programs or Activities of the previous Financial Years, if any           | NIL           |
| (iv).  | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                             | NIL           |
| (v).   | Amount available for set off in succeeding Financial Years [(iii)-(iv)]                                             | NIL           |
| 9.     | (a). Details of Unspent CSR amount for the preceding three Financial Years (F.Y. 2021-22)                           | 0             |
|        | (b). Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year (21-22) | 0             |

**10. In case of creation or acquisition of Capital Asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details).**

|    |                                                                                                                                |                                                                                         |
|----|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| a) | Date of creation or acquisition of the Capital Asset(s).                                                                       | No Capital Asset during the period under review was created or acquired by the Company. |
| b) | Amount of CSR spent for creation or acquisition of Capital Asset.                                                              | No amount was spent for creation or acquisition of Capital Asset by the Company.        |
| c) | Details of the Entity or Public Authority or Beneficiary under whose name such Capital Asset is registered, their address etc. | Not Applicable                                                                          |
| d) | Provide details of the Capital Asset(s) created or acquired (including complete address and location of the Capital Asset).    | Not Applicable                                                                          |

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5).**

Not applicable

For and behalf of the Board  
of **CSL Finance Limited****Date:** August 11, 2025  
**Place:** Noida**Rachita Gupta**  
(Chairman- CSR Committee)  
DIN: 09014942**Rohit Gupta**  
(Managing Director)  
DIN: 00045077

# Annexure-D

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## A. The ratio of remuneration of the Directors to the median remuneration of employees of the Company and percentage increase in the remuneration of Directors and KMPs:

| Name                        | Designation                            | % increase in remuneration in F.Y. 2024-25 as compared to F.Y. 2023-24 | Ratio of Remuneration to Median Remuneration |
|-----------------------------|----------------------------------------|------------------------------------------------------------------------|----------------------------------------------|
| Mr. Rohit Gupta             | Managing Director                      | NIL                                                                    | 22.69:1                                      |
| Ms. Rachita Gupta           | Whole-Time Director                    | NIL                                                                    | 7.71:1                                       |
| Mr. Ashok Kumar Kathuria    | Non-Executive Director                 | NA                                                                     | NA                                           |
| Mr. Ayussh Mittaal*         | Independent Director                   | NA                                                                     | NA                                           |
| Mr. Parmod Bindal           | Independent Director                   | NA                                                                     | NA                                           |
| Mr. Subhash Chand Kwatra    | Independent Director                   | NA                                                                     | NA                                           |
| Mr. Anirudha Kumar**        | Independent Director                   | NA                                                                     | NA                                           |
| Ms. Alaktika Banerjee**     | Independent Director                   | NA                                                                     | NA                                           |
| Mr. Naresh Chandra Varshney | Chief Financial Officer                | NIL                                                                    | 3.29:1                                       |
| Ms. Preeti Gupta            | Company Secretary & Compliance Officer | 25%                                                                    | 3.40:1                                       |

## B. Disclosure on other matters:

|                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The percentage increase/decrease in the median remuneration of the employees during the financial year.                                                                                                                                                                                                                                            | 9.41%                                                                                                                                                                          |
| No. of permanent employees on the rolls of the Company (as on March 31, 2025)                                                                                                                                                                                                                                                                      | 437 employees                                                                                                                                                                  |
| Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | <p>Average increase in salary of eligible employees other than managerial personnel is 7%</p> <p>Remuneration of the Managing Director was not increased during FY 2024-25</p> |
| Affirmation that the remuneration is as per the remuneration policy of the Company                                                                                                                                                                                                                                                                 | The Company affirms that Remuneration is paid as per the Remuneration Policy of the Company.                                                                                   |

# Corporate Governance Report

The report on Corporate Governance is prepared pursuant to Regulation 34(3) read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"/"Listing Regulations")

## 1. COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

At CSL, Corporate Governance is the creation and enhancement of long-term sustainable value for our stakeholders, comprising regulators, employees, customers, vendors, investors, and the society at large, through ethically driven business practice.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company's hallmarks inherited from its culture and ethos. At CSL, it is imperative that our Company's affairs are managed in a fair and transparent manner.

We ensure that we evolve and follow not just the stated corporate governance guidelines, but also best practices. We consider it our inherent responsibility to protect the rights of our shareholders and disclose timely, adequate, and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

### The highlights of the Company's Corporate Governance regime are:

- The Company believes that an active, well-informed, and Independent Board is necessary to ensure high standards of Corporate Governance. The Company has an optimum combination of Executive and Non-Executive Directors including Women Directors.
- Constitution of several Committees for focused attention and proactive flow of information, enables the Company to ensure expedient resolution of diversified matters.
- Code of Conduct for Prevention of Insider Trading & Code of Conduct for Directors and Senior Management of the Company.
- Robust Whistle Blower Mechanism which act as a neutral and unbiased forum for Directors and Employees of the Company.
- Employees Stock Option Scheme – to attract, reward and retain key employees.

The Company is among top 2000 Companies listed on the National Stock Exchange of India Limited and BSE Limited respectively on the basis of market capitalization. Accordingly, it is in compliance with the compliances applicable pursuant to its position.

The Company continuously strives to achieve excellence in corporate governance through its values –Customer first, Passion for Excellence, Integrity, Respect for People.

## 2. BOARD OF DIRECTORS

The Board of Directors and its Committees, provide leadership and guidance to the Company's Management while discharging its fiduciary responsibilities, directs as well as reviews business objectives, management strategic plans and monitors the performance of the Company.

### A. Composition of Board

The Company has a professional Board with the right mix of knowledge, skills and expertise in diverse areas with an optimum combination of Executive, Non-Executive including Independent Directors and Women Directors on its Board. Besides having financial literacy, vast experience, leadership qualities and the ability to think strategically, the Directors are committed to ensure highest standards of corporate governance.

As on March 31, 2025, there are total seven (7) Directors on the Board of the Company, out of which two (2) are Executive Directors out of which one is Managing Director and another Whole Time Director, five (5) are Non-Executive Directors out of which four (4) are Independent Directors.

As on the date of this report, none of the Directors serve as a Director or as an Independent Director in more than 7 listed entities. Further, none of them is a member of more than 10 (Ten) committees (committees being Audit Committee and Stakeholders Relationship Committee) or chairman in more than 5 (Five) committees across all listed entities in which he/she is a Director.

### B. Board Meetings

The Board meets at regular intervals to discuss and decide on business policies and review the financial performance of the Company. It meets at least once in a quarter to review the Company's quarterly performance and financial results. Board meetings are governed with a structured agenda. The Agenda for the Board and Committee meetings covers items set out as per the guidelines in SEBI Listing Regulations to the extent it is relevant and applicable.



The Board Meetings are conveyed after giving sufficient days of Notice to the Board Members along with the agenda for the meeting with necessary documents with all the required information pursuant to provisions of Companies Act, 2013 and SEBI Listing Regulations. The Board periodically reviews the compliance reports with respect to laws and regulations applicable to the Company.

The Board met 5 (Five) times during the financial year 2024-25 viz., May 15, 2024; July 31, 2024; November 09, 2024; February 11, 2025 and March 18, 2025.

All the Board Meetings were held at the Corporate Office of the Company at Noida and the gap between

the two Board Meetings was not more than 120 (One Hundred and Twenty) days. The required quorum was present at all the above-Board Meetings and all resolutions are approved unanimously/with requisite majority and recorded in the minutes. There was no instance of adjournment of any of the said Meetings. The Board periodically reviews and discusses the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. The minutes of proceedings of each board meeting are maintained in terms of statutory provisions. Meetings of various committees are held properly. The minutes of the Committee Meetings were periodically placed before the Board.

Details are as given hereunder:

| Name of the Director     | DIN      | Category of Director | No. of Board Meetings |          | Attendance at Last AGM | Directorships in Indian public limited companies (including CSL Finance Limited) | Committee Position (including CSL Finance Limited)* |        | (No. of Equity shares held |
|--------------------------|----------|----------------------|-----------------------|----------|------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------|--------|----------------------------|
|                          |          |                      | Held                  | Attended |                        |                                                                                  | Chairman                                            | Member |                            |
| Mr. Rohit Gupta          | 00045077 | Managing Director    | 5                     | 5        | Yes                    | 1                                                                                | -                                                   | 2      | 37,74,608                  |
| Ms. Rachita Gupta        | 09014942 | Whole-time Director  | 5                     | 5        | Yes                    | 1                                                                                | -                                                   | -      | 58,503                     |
| Mr. Ashok Kumar Kathuria | 01010305 | Director             | 5                     | 5        | Yes                    | 1                                                                                | 1                                                   | 1      | 0                          |
| Mr. Parmod Bindal        | 06389570 | Independent Director | 5                     | 5        | Yes                    | 1                                                                                | 1                                                   | -      | 0                          |
| Mr. Subhash Chand Kwatra | 08635939 | Independent Director | 5                     | 5        | Yes                    | 3                                                                                | 1                                                   | 2      | 0                          |
| Mr. Ayussh Mittaal ^     | 07667437 | Independent Director | 5                     | 4        | Yes                    | 0                                                                                | -                                                   | -      | 0                          |
| Mr. Anirudha Kumar#      | 00084495 | Independent Director | 0                     | 0        | No                     | 0                                                                                | 0                                                   | 3      | 0                          |
| Ms. Alaktika Banerjee#   | 11006663 | Independent Director | 0                     | 0        | No                     | 0                                                                                | 0                                                   | 1      | 0                          |

^Mr. Ayussh Mittaal resigned from the position of Independent Director w.e.f., March 06, 2025.

#Mr. Anirudha Kumar and Ms. Alaktika Banerjee were appointed as Independent Directors w.e.f., March 18, 2025.

\*The committees considered for the above purpose are those prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

### Inter-se relationship amongst the Directors:

None of our Directors are related to each other except Mr. Rohit Gupta (Managing Director) and Ms. Rachita Gupta (Whole Time Director) who are related to each other as father and daughter.

## C. Key Skills, Expertise and Competencies of Board of Directors

|                          | Industry Knowledge of Financial Service and Banking Industry | Strategic & Business Planning | Accounting and Finance | Corporate Governance and Compliance | Stake-holders Relationship | Management Experience and Leadership | Information Technology Knowledge |
|--------------------------|--------------------------------------------------------------|-------------------------------|------------------------|-------------------------------------|----------------------------|--------------------------------------|----------------------------------|
| Mr. Rohit Gupta          | ✓                                                            | ✓                             | ✓                      | ✓                                   | ✓                          | ✓                                    | ✓                                |
| Ms. Rachita Gupta        | ✓                                                            | ✓                             | ✓                      | ✓                                   | ✓                          | ✓                                    | ✓                                |
| Mr. Ashok Kumar Kathuria | ✓                                                            | ✓                             | -                      | -                                   | ✓                          | -                                    | -                                |

|                          | Industry knowledge of Financial Service and Banking Industry | Strategic & Business Planning | Accounting and Finance | Corporate Governance and Compliance | Stake-holders Relationship | Management Experience and Leadership | Information Technology Knowledge |
|--------------------------|--------------------------------------------------------------|-------------------------------|------------------------|-------------------------------------|----------------------------|--------------------------------------|----------------------------------|
| Mr. Parmod Bindal        | ✓                                                            | ✓                             | ✓                      | ✓                                   | ✓                          | ✓                                    | ✓                                |
| Mr. Subhash Chand Kwatra | ✓                                                            | ✓                             | ✓                      | ✓                                   | ✓                          | ✓                                    | ✓                                |
| Mr. Anirudha Kumar       | ✓                                                            | ✓                             | ✓                      | ✓                                   | ✓                          | ✓                                    | ✓                                |
| Ms. Alaktika Banerjee    | ✓                                                            | ✓                             | ✓                      | ✓                                   | ✓                          | ✓                                    | ✓                                |

The brief profiles of Directors are also available on the website of the Company <https://www.csloffinance.in/our-people>.

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board the Independent Directors fulfil the conditions as specified in the Listing Regulations and are independent of the management.

During the financial year, Mr. Ayussh Mittaal tendered his resignation from the position of Independent Director of the Company with effect from March 06, 2025, prior to the completion of his tenure.

Subsequently, Mr. Mittaal was appointed as President – Audit of the Company with effect from April 04, 2025. This transition from an Independent Director to an executive role within the Company could potentially give rise to a conflict of interest, thereby impacting his independence as defined under applicable laws and regulations.

In view of the above, Mr. Mittaal voluntarily stepped down from the Board. In his resignation letter dated March 06, 2025, he confirmed that there were no material reasons for his resignation other than those mentioned in the letter.

#### **D. Familiarization Programme for Independent Directors**

The Familiarization Programme for Independent Directors is uploaded on the website of the Company, and is accessible at <https://www.csloffinance.in/codes-and-policies>

#### **E. Independent Directors**

The Independent Directors of the Company have been appointed in compliance with the requirements of the Act and Listing Regulations. The Company has issued a letter of appointment to all the Independent Directors and terms and conditions thereof have been disclosed on the website of the Company.

At the time of appointment and thereafter at beginning of each financial year, the Independent Directors submit a self-declaration confirming their independence and compliance with eligibility criteria

mentioned under the Act and Listing Regulations. Based on the disclosures received from all the Independent Directors, the Board is of the opinion that, all the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

#### **F. Separate Meeting of Independent Directors:**

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of Independent Directors was held on March 24, 2025 to discuss:

- To review the performance of Non-Independent Directors and the Board as a whole.
- Taking into account the views of the Executive and Non - Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- The board strategy, risk management, Corporate Governance, Compliances and standard of conduct and other allied matters.

All the Independent Directors viz., Mr. Parmod Bindal, Mr. Subhash Chand Kwatra, Mr. Anirudha Kumar and Ms. Alaktika Banerjee, were present at the meeting.

### **3. COMMITTEES OF THE BOARD**

The Committees of the Board are constituted as required under the Companies Act, SEBI Listing Regulations, 2015, Master Directions Frameworks and Guidelines for the NBFCs issued by the Reserve Bank of India and for such other purposes as the Board may deem fit, from time to time. The Board of the Directors of the Company has constituted various Committees including the following main committees:

Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Management Committee.

The terms of reference of the aforesaid Committees are decided by the Board. The role and composition including the number of meetings and related attendance are given below.

### A. Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act 2013 ('the Act') and Regulation 18 read with Part C of the Schedule II of the Listing Regulations. All the members of the Committee have wide experience in fields of Banking & Finance, Accounts, Regulatory and Financial service industry.

### Terms of Reference Audit Committee, inter-alia, includes:

- a) Reviewing with the management, the quarterly financial results and annual financial statements and auditor's report thereon before submission to the Board for approval.
- b) Oversight of the Company's Financial Reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- c) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit.
- d) To review Company's financial performance.
- e) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- f) Compliance with Accounting Standards.
- g) To review Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
- h) Scrutiny of inter-corporate loans and investments.
- i) Review with the management, the performance of Statutory and Internal Auditors, adequacy of Internal Control Systems.
- j) To review the functioning of Whistle Blower Mechanism.
- k) Discussion with Internal Auditors, any significant findings and follow up thereon.
- l) Evaluation of internal financial controls and risk management systems.
- m) To review compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015.
- n) Review Internal Audit Reports relating to internal Control weaknesses.
- o) Review Management Discussion and analysis of financial condition and results of operations.
- p) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the SEBI Listing Regulations as amended from time to time and that of the Act.

### Composition of Audit Committee and Attendance during the year are given below:

During the year under review, the Audit Committee met 5 (Five) times viz., on May 15, 2024 July 31, 2024; November 09, 2024; February 11, 2025 and March 18, 2025 to deliberate on various matters.

### Composition of the Audit Committee along with number of meetings & attendance details are mentioned below:

| Name                               | Category             | Designation | No. of meetings held during tenure | No. of meetings attended |
|------------------------------------|----------------------|-------------|------------------------------------|--------------------------|
| Mr. Parmod Bindal                  | Independent Director | Chairman    | 5                                  | 5                        |
| Mr. Rohit Gupta                    | Managing Director    | Member      | 5                                  | 5                        |
| Mr. Ayussh Mittaal*                | Independent Director | Member      | 4                                  | 4                        |
| Mr. Subhash Chand Kwatra           | Independent Director | Member      | 5                                  | 5                        |
| Mr. Anirudha Kumar <sup>#</sup>    | Independent Director | Member      | -                                  | -                        |
| Ms. Alaktika Banerjee <sup>#</sup> | Independent Director | Member      | -                                  | -                        |

\*Mr. Ayussh Mittaal ceased to be member of the Committee w.e.f., March 06, 2025.

<sup>#</sup>Mr. Anirudha Kumar and Ms. Alaktika Banerjee were appointed as members of the Committee w.e.f., March 18, 2025.



**B. Nomination & Remuneration Committee:**

The Nomination and Remuneration Committee (NRC) is constituted in accordance with provisions of sub-section (1) of Section 178 of the Companies Act, 2013 and Regulation 19 (4) read with Part-D of Schedule II of Listing Obligations and Regulations.

**Terms of Reference of Nomination and Remuneration Committee, inter-alia, includes**

- To recommend to the Board, the set up and composition of the Board and its committees.
- Setting criteria for appointment, re-appointment/removal of Directors/Senior Management including Key Managerial Personnel ('KMP') and other employees of the Company.
- Recommend to the Board the Remuneration Policy for directors, senior management or Key Managerial Personnel.
- To review the process for performance evaluation of Board, its Committees and Individual Directors, Board Diversity.

e) To administer the working of Employees Stock Option Schemes of the Company.

f) Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

**The Committee has formulated a Remuneration Policy for Directors, KMPs and all other employees of the Company and the same is available on Company's website at**

<https://www.csfinance.in/>

The criteria for making payments to Non-Executive Directors is available on the website of the Company at <https://www.csfinance.in/>

**The Composition of the Nomination and Remuneration Committee and Attendance during the year are given below:**

The Committee met 4 (four) times during the year under review viz. July 20, 2024, October 01, 2024, November 11, 2024 and March 18, 2025.

**Composition of the NRC Committee along with number of meetings & attendance details are mentioned below:**

| Name                            | Category             | Designation | No. of meetings held during tenure | No. of meetings attended |
|---------------------------------|----------------------|-------------|------------------------------------|--------------------------|
| Mr. Subhash Chand Kwatra        | Independent Director | Chairman    | 4                                  | 4                        |
| Mr. Ashok Kumar Kathuria        | Director             | Member      | 4                                  | 4                        |
| Mr. Ayussh Mittaal*             | Independent Director | Member      | 3                                  | 3                        |
| Mr. Anirudha Kumar <sup>#</sup> | Independent Director | Member      | -                                  | -                        |

\*Mr. Ayussh Mittaal ceased to be member of the Committee w.e.f., March 06, 2025.

<sup>#</sup>Mr. Anirudha Kumar was appointed as members of the Committee w.e.f., March 18, 2025.

**C. Stakeholders' Relationship Committee:**

The composition of the Stakeholders' Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

**The Terms of Reference of Stakeholders Relationship Committee ('SRC Committee'), inter-alia, includes:**

- It shall consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report and non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by the shareholders;

c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

d) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

e) To discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

During F.Y. 2024-25, two (02) SRC Committee meetings was held on May 15, 2024 and March 18, 2025. All the members of the Committee were present in all the meetings.

**Composition of the SRC Committee along with number of meetings & attendance details are mentioned below:**

| Name                     | Category             | Designation | No. of meetings held | No. of meetings attended |
|--------------------------|----------------------|-------------|----------------------|--------------------------|
| Mr. Ashok Kumar Kathuria | Director             | Chairman    | 2                    | 2                        |
| Mr. Rohit Gupta          | Managing Director    | Member      | 2                    | 2                        |
| Mr. Ayussh Mittaal*      | Independent Director | Member      | 1                    | 1                        |
| Mr. Anirudha Kumar#      | Independent Director | Member      | -                    | -                        |

\*Mr. Ayussh Mittaal ceased to be member of the Committee w.e.f., March 06, 2025.

# Mr. Anirudha Kumar was appointed as members of the Committee w.e.f., March 18, 2025.

### Compliance Officer

Ms. Preeti Gupta is the Company Secretary & Compliance Officer of the Company as per Regulation 6(1) of the SEBI Listing Regulations w.e.f., June 26, 2021. She can be reached out at the Corporate Office of the Company at:

#### CSL Finance Limited

716-717, 7<sup>th</sup> Floor, Tower-B  
Word Trade Tower, Sector-16  
Noida-201301 (U.P.)  
Phone No. 0120-4290650/52  
Email: [Investor@cslfinance.in](mailto:Investor@cslfinance.in)

The Company has appointed M/s. MAS Services Limited as the Registrar and Share Transfer Agent to handle the investor grievances in co-ordination with the Compliance Officer. All grievances can be addressed to the Registrar and Share Transfer Agent. The Company monitors the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

### Details of Complaints [including SEBI Complaints on (SCORES)/Smart ODR portal received by the Company and Resolved during the year 2024-25]

|                                                        |     |
|--------------------------------------------------------|-----|
| No. of Complaints pending at the beginning of the year | Nil |
| No. of Complaints received during the year             | 4   |
| No. of Complaints resolved                             | 4   |
| No. of Complaints pending at the end of the year       | Nil |

### D. Corporate Social Responsibility Committee:

The Committee's primary role is to assist the Company in discharging its corporate social responsibilities. It monitors the implementation of the Corporate Social Responsibility as per the CSR Policy which mainly includes Education, Women Empowerment, Health and Sanitation and other areas covered under Schedule – VII to the Companies Act, 2013. It periodically reviews and recommends to the Board about CSR Budget and Expenditures.

### The Terms of Reference of Corporate Social Responsibility ("CSR") Committee inter-alia, includes

- formulation and monitoring the implementation of corporate social responsibility ('CSR') policy.
- to look into matters related to sustainability, review CSR/Sustainability reports.
- Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes
- Recommend to the Board CSR activities to be undertaken by the Company.
- To recommend the Annual Action Plan including amount of expenditure to be incurred on the activities referred to in the CSR Policy and review the same and all other matters specified under the Act or any other role as may be prescribed by law from time to time.

During F.Y. 2024-25, Three (03) CSR Committee Meetings were held on May 15, 2024, July 30, 2024 and March 17, 2025. All the members of the Committee were present in all the said meetings.

Composition of the CSR Committee along with number of meetings & attendance details are mentioned below:

| Name                     | Category             | Designation | No. of meetings held | No. of meetings attended |
|--------------------------|----------------------|-------------|----------------------|--------------------------|
| Ms. Rachita Gupta        | Whole Time Director  | Chairperson | 3                    | 3                        |
| Mr. Rohit Gupta          | Managing Director    | Member      | 3                    | 3                        |
| Mr. Ashok Kumar Kathuria | Director             | Member      | 3                    | 3                        |
| Mr. Subhash Chand Kwatra | Independent Director | Member      | 3                    | 3                        |

#### E. Management Committee:

Management committee was constituted by the Board of directors on February 12, 2021. The Board of Directors of the Company has delegated the below mentioned powers to the Management Committee.

#### The Terms of Reference of Management Committee, inter-alia, includes

- Investing temporary surplus funds, availing cash management services or financial assistance from Banks and other Institutions.
- Opening and closing of bank accounts and other banking related operations.
- Authorizing persons for obtaining various licenses, registered mortgage and registrations under any statute & regulations.
- Appearances before concerned authorities, execution & registration of agreements as and when required.
- Matters related to corporate actions such as fixing of record date, book closure/cut-off date.
- Power to create any kind of Security on movable and Immovable properties, Accounts Receivables, Inventories, Book Debts and any other assets by way of Lien, Pledge, Hypothecation or in any other manner as per Sanctioned Terms of the Banks/Financial Institutions.
- Nomination under any statute and other statutory enactments as may be applicable to the Company.
- To deal with the matters for day-to-day running and in the ordinary and regular course of business and;
- Any other matter (incidental or expedient) as the case may be in compliance requirement of Stock Exchanges, Registrar of Companies, RBI, NCLT, IBC and all other concerned authorities.

During FY 2024-25, Twenty-Seven (27) Management Committee Meetings were held which was attended by Mr. Rohit Gupta as Chairman of the Committee, Ms. Rachita Gupta and Mr. Ashok Kumar Kathuria as its members.

|            |            |            |            |            |
|------------|------------|------------|------------|------------|
| 25.04.2024 | 04.05.2024 | 07.06.2024 | 12.06.2024 | 14.06.2024 |
| 21.06.2024 | 25.06.2024 | 07.08.2024 | 14.08.2024 | 22.08.2024 |
| 07.09.2024 | 21.09.2024 | 26.10.2024 | 12.11.2024 | 19.11.2024 |
| 22.11.2024 | 26.11.2024 | 29.11.2024 | 19.12.2024 | 27.12.2024 |
| 14.01.2025 | 22.02.2025 | 07.03.2025 | 18.03.2025 | 19.03.2025 |
| 25.03.2025 | 29.03.2025 |            |            |            |



### Composition of the Management Committee along with number of meetings & attendance details are mentioned below:

| Name                     | Category            | Designation | No. of meetings held | No. of meetings attended |
|--------------------------|---------------------|-------------|----------------------|--------------------------|
| Mr. Rohit Gupta          | Managing Director   | Chairman    | 27                   | 27                       |
| Mr. Ashok Kumar Kathuria | Director            | Member      | 27                   | 27                       |
| Ms. Rachita Gupta        | Whole time Director | Member      | 27                   | 27                       |

**Note:** All the above committee meetings were held at the Corporate Office of the Company at Noida. The necessary quorum was present for all the meetings. The minutes of the meetings of the Committee were periodically placed before the Board.

### F. Internal Complaints Committee (“ICC”):

A Committee of Board of Directors was constituted as per the provisions of Section 4 of Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal Act, 2013. Members of the Internal Complaints Committee have been authorized to do the following acts:

- a) To draft and amend the Sexual Harassment Policy for the organization from time to time.
- b) To work towards providing a safe and respectful working environment Organize training and awareness programs (classroom/eLearning) at regular intervals.
- c) To conduct meetings:
  - When there is a complaint received in writing from any of the women employees,
  - To settle grievances.
  - To make sure there is appropriate compensation for any case of misconduct and sexual harassment.
  - Other functions as mentioned in the Anti-Sexual Harassment Policy.

### Main Committees as per RBI guidelines

#### Information Technology (IT) Strategy Committee

Pursuant to Master Direction – Information Technology Framework issued by RBI for NBFC Sector, the Company has constituted an IT Strategy Committee.

The Committee comprises of:

| Name                     | Category              | Designation | No. of meetings held | No. of meetings attended |
|--------------------------|-----------------------|-------------|----------------------|--------------------------|
| Mr. Subhash Chand Kwatra | Independent Direc-tor | Chairman    | 2                    | 2                        |
| Ms. Rachita Gupta        | Whole time Direc-tor  | Member      | 1                    | 1                        |
| Mr. Rohit Gupta          | Managing Director     | Member      | 1                    | 1                        |

The Committee met two times during FY2025, as required under the Scale Based Regulations, 2023.

### The terms of reference of the Committee includes the following:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

### Asset Liability Management Committee

Pursuant to the RBI Guidelines, the Company has in place an Asset Liability Management Committee. The Committee comprises of senior executives of the Company. The role of the Committee is to oversee the implementation of the Asset Liability Management system and review its functionality periodically covering liquidity risk management, management of market risks, funding and capital planning, profit planning etc.

The said Committee met two times during FY2025.

The decisions of the Committee if any, were placed before the Board for their noting and review.

### Risk Management Committee

Pursuant to the RBI Guidelines, the Company has in place Risk Management Committee. The Committee comprises of senior executives of the Company.

The role of the Committee is to monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems, to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company etc.

The said Committee met two times during FY2025.

The decisions of the Committee, if any were placed before the Board for their noting and review.

### Confirmation by the Board of Directors - acceptance of recommendation of mandatory committees

In terms of the amendments made to the Listing Regulations, the Board of Directors confirms that during the year, it has accepted all recommendations received from its mandatory committees.

## G. Particulars of Senior Management Personnel and changes since the close of previous financial year:

The Company has a very competent team of Senior Management. In terms of the Listing Regulations, the following Executives of the Company form part of the Senior Management of the Company:

| S. No. | Name                        | Designation                                        |
|--------|-----------------------------|----------------------------------------------------|
| 1.     | Mr. Amit Ranjan*            | Chief Operating Officer                            |
| 2.     | Mr. Naresh Chandra Varshney | Chief Financial officer                            |
| 3.     | Mr. Amit Kaul**             | President-IT & CTO                                 |
| 4.     | Mr. Atul Kumar Agrawal      | President-Finance & Treasury                       |
| 5.     | Mr. Chandan Kumar#          | Wholesale-Credit Head                              |
| 6.     | Mr. Chirag Gupta#           | Head-Credit                                        |
| 7.     | Mr. Sachin Shah#            | Zonal Sales Manager                                |
| 8.     | Mr. Nikhil Singh##          | VP Business Operations & Business Analytics & CISO |
| 9.     | Mr. Neeraj Bhati            | Zonal Credit Manager-SME                           |
| 10.    | Mr. Saurabh Prydarshi       | Head-Legal                                         |
| 11.    | Mr. SB Tiwari               | Chief Manager – Accounts                           |
| 12.    | Ranjan Kumar Banerjee^      | Zonal Credit Manager-SME                           |
| 13.    | Mr. Hariom Kumar            | AVP-HR                                             |
| 14.    | Ms. Preeti Gupta^^          | Company Secretary & Compliance Officer             |

\* Mr. Amit Ranjan resigned from the position of Chief Operating Officer w.e.f., January 01, 2025.

\*\*Mr. Amit Kaul was appointed as CTO w.e.f., April 01, 2024

#Mr. Chandan Kumar was promoted as Head- Strategy & Business and Mr. Chirag Gupta as Credit Head and Mr. Sachin Shah as Zonal Sales Manager w.e.f., January 01, 2025.

##Mr. Nikhil Singh was also designated as CISO as per RBI Guidelines w.e.f., July 31, 2024.

^Ranjan Kumar Banerjee was appointed as ZCM- SME w.e.f., January 01, 2025.

^^Ms. Preeti Gupta was also designated as the Chief Compliance Officer (CCO) of the Company w.e.f., June 26, 2025 in place of Mr. Atul Agarwal who stepped down from the said position w.e.f., June 23, 2025.

## 4. REMUNERATION OF DIRECTORS

### a. Criteria of Making Payments to Non-Executive Directors:

Non-Executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. The criteria for making payments to non-executive directors have been put on the Company's website at <https://www.csfinance.in/codes-and-policies>

### Details of pecuniary relationships or transactions of the non-executive independent director vis-à-vis the Company.

There are no pecuniary relationships or transactions of the non-executive independent director vis-à-vis the Company for the period ending March 31, 2025

### b. Sitting Fees:

Such director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or any other meeting as required by Companies Act, 2013.

### c. Details of Remuneration Paid to Directors during the year 2024-25:

The Key Managerial Personnel of the Company comprises of the Managing Director, Whole-Time Director, Chief Financial Officer and Company Secretary of the Company.

As on March 31, 2025, the Company has two Executive Directors i.e. the Managing Director and Whole-Time Director of the Company and apart from this, all other Directors are Non-Executive Directors.

### Remuneration paid to Managing Director and Whole-Time Director alongwith details of equity shares held as on March 31, 2025 is tabled below:

| Name                | Remuneration (in ₹) | No of Equity Shares held |
|---------------------|---------------------|--------------------------|
| Rohit Gupta (MD)    | 84,00,000           | 37,74,608                |
| Rachita Gupta (WTD) | 30,00,000           | 58,503                   |

### Criteria of making payments to Non-Executive Directors

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at the Board/ Committee meetings. They are remunerated by way of sitting fees for attending the meetings.

### Details of Sitting fees of the Non-Executive Directors for the year ended March 31, 2025 are given in the table below:

| Name of the Director     | Sitting Fees (in ₹) |
|--------------------------|---------------------|
| Mr. Parmod Bindal        | 1,40,000            |
| Mr. Subhash Chand Kwatra | 1,40,000            |
| Mr. Ayussh Mittaal       | 80,000              |

Mr. Ashok Kumar Kathuria, Director of the Company has 9000 stock options issued vide Grant Letter dated April 01, 2022 at an exercise price of ₹ 160 vested over period of four years under the CSL Employee Stock Option Scheme, 2016.



## 5. GENERAL BODY MEETINGS

### a) Details of previous 3 Annual General Meetings ('AGM') are as under:

| AGM No.          | Financial Year | Day & Date of AGM    | Venue                                                            | Time       | Special resolution(s) passed                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------|----------------|----------------------|------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 32 <sup>nd</sup> | 2023-24        | Saturday, 21.09.2024 | Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) | 12.30 p.m. | <ol style="list-style-type: none"> <li>To approve increase in the borrowing limits of the Company from the existing limit of ₹ 50 Crores to ₹ 1,500 Crores.</li> <li>To approve increase in the limits under Section 180(1)(a) of the Companies Act, 2013 for creation of charge/security on the Company's assets with respect to borrowings</li> <li>To consider approval of the alteration of the Articles of Association.</li> </ol> |
| 31 <sup>st</sup> | 2022-23        | Saturday, 23.09.2023 | Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) | 12:00 Noon | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 30 <sup>th</sup> | 2021-22        | Monday, 26.09.2022   | Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) | 11.00 a.m. | <ol style="list-style-type: none"> <li>Appointment of Mr. Subhash Chand Kwatra (DIN: 08635939) as an Independent Director of the Company.</li> <li>Appointment of Mr. Parmod Bindal (DIN: 06389570) as an Independent Director of the Company.</li> </ol>                                                                                                                                                                               |

### b) Special Resolutions passed through Postal Ballot:

During the year, the Company has conducted one postal ballot

| Date of passing resolution | Date of Notice | Date of Dispatch of Postal Ballot Forms to Members | Last date for receiving the Postal Ballot forms including e-voting | Items approved as a Special Resolution                                                                                                                                     | Details of Scrutinizer                                                                                                       |
|----------------------------|----------------|----------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 19.04.2025                 | 18.03.2025     | NA*                                                | NA*                                                                | Appointment of Mr. Anirudha Kumar (DIN: 00084495) and Ms. Alaktika Banerjee (DIN: 11006663) as Independent Directors of the Company for a consecutive term of three years. | <p>Name: Mr. Parveen Sharma of M/s Parveen S &amp; Associates COP No-25707</p> <p>Date of issuance of Report- 22.04.2025</p> |

Pursuant to the special resolution passed by shareholders with requisite majority on April 19, 2025 through Postal Ballot notice dated March 18, 2025 for Appointment of Mr. Anirudha Kumar (DIN: 00084495) and Ms. Alaktika Banerjee (DIN: 11006663) as Independent Directors of the Company for a consecutive term of three years.

The Board of Directors on March 18, 2025 had appointed Mr. Parveen Sharma (Membership No. A41531) Practicing Company Secretary (CP No. 25707) of Parveen S & Associates, Noida as the Scrutiniser to Scrutinise the remote e-voting/Postal ballot process in a fair and transparent manner for conducting process of remote e-voting in accordance with the provisions of the Act read with Rules and the MCA Circulars.

**The details of voting pattern of the Special Resolutions passed through Postal Ballot is as follows:**

**(i) Appointment of Mr. Anirudha Kumar (DIN: 00084495) as Non- Executive Independent Director of the Company.**

| Type of Voting  | No. of members voted | No. of votes cast by them | % of total no. of valid vote cast |
|-----------------|----------------------|---------------------------|-----------------------------------|
| Remote E-voting | 70                   | 10995805                  | 99.99                             |
| Physical Ballot |                      | NA                        |                                   |
| <b>Total</b>    | <b>70</b>            | <b>10995805</b>           | <b>99.99</b>                      |

**(ii) Appointment of Ms. Alaktika Banerjee (DIN: 11006663) as Non- Executive Independent Director of the Company.**

| Type of Voting  | No. of members voted | No. of votes cast by them | % of total no. of valid vote cast |
|-----------------|----------------------|---------------------------|-----------------------------------|
| Remote E-voting | 70                   | 10995805                  | 99.99                             |
| Physical Ballot |                      | NA                        |                                   |
| <b>Total</b>    | <b>70</b>            | <b>10995805</b>           | <b>99.99</b>                      |

The Special Resolutions was passed with requisite majority. The procedure for Postal Ballot/electronic voting (e-voting) for aforesaid special resolutions was mentioned in the said Postal Ballot Notice.

**c) Extra-Ordinary General Meeting (EGM):**

During the year, the Company has not conducted EGM.

**6. MEANS OF COMMUNICATION**

**a. Financial Results**

In accordance with the Listing Regulations, the quarterly/half-yearly/annual results are uploaded on Stock Exchanges. The Financial Results are generally published in leading business newspaper namely, 'Economic Times'/'Business Standard' (English) and in 'Jansatta'/'Business Standard' (Hindi) and simultaneously posted on the Company's website and can be accessed at [www.csfinance.in](http://www.csfinance.in).

**b. Company's Website**

Various sections of the Company's website ([www.csfinance.in](http://www.csfinance.in)) keep the investors updated on the key and material developments of the Company by providing timely information like Board profile, financial results, annual reports, shareholding pattern, Investor Presentation, stock exchange filings etc.

**c. Stock Exchanges**

The Company makes timely disclosures and filing to the Stock Exchanges in terms of the SEBI Listing Regulations and other rules and regulations issued by the SEBI and the same are hosted on the website of the said Stock Exchanges.

**d. Corporate Compliance & the Listing Centre**

The Company files its financial results and other submissions on the electronic filing system, i.e., Listing Centre of BSE and Neaps portal of National Stock Exchange of India Limited. The same is also available on the website of the Stock Exchanges viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**e. Presentations made to Institutional Investors or to the analysts**

The Company organises Earnings Calls after announcement of half yearly and yearly financial results, which were well attended by the analysts, fund managers and investors. The transcripts were uploaded on the Company's website. No Unpublished Price Sensitive information is discussed in the meeting/presentation with institutional investors and analysts.

## 7. GENERAL INFORMATION FOR SHAREHOLDERS

### Annual General Meeting:

|        |                            |                                                                                                                                                                                                                                                                                                            |
|--------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)    | AGM (Date, Time and Venue) | The 33 <sup>rd</sup> AGM of the Company will be held on Saturday, September 20, 2025 at 12.30 pm through Video Conferencing/Other Audio-visual means (OAVM)                                                                                                                                                |
| (ii)   | Financial Year             | April 01, 2024 to March 31, 2025                                                                                                                                                                                                                                                                           |
| (iii)  | Dividend Recommended       | Directors recommended a final dividend @30% i.e., ₹ 3.00/- (Rupees Three only) per equity share of face value of ₹ 10/- each for the financial year ended March 31, 2025, in its meeting held on May 23, 2025, subject to approval of Members at the ensuing AGM of the Company.                           |
| (iv)   | Dividend Payment Date      | Within Statutory Timeline                                                                                                                                                                                                                                                                                  |
| (v)    | Date of Book Closure       | From: 14-09-2025 To 20-09-2025 (Both days inclusive)                                                                                                                                                                                                                                                       |
| (vi)   | CIN:                       | L74899DL1992PLC051462                                                                                                                                                                                                                                                                                      |
| (vii)  | Website                    | <a href="http://www.csloffinance.in">www.csloffinance.in</a>                                                                                                                                                                                                                                               |
| (viii) | E-mail Id                  | <a href="mailto:investor@csloffinance.in">investor@csloffinance.in</a>                                                                                                                                                                                                                                     |
| (ix)   | Corporate Office           | 716-717, 7 <sup>th</sup> Floor, Tower - B World Trade Tower, Sector – 16, Noida- 201301 U.P.                                                                                                                                                                                                               |
| (x)    | Registered Office          | 410-412, 18/12, 4 <sup>th</sup> Floor, W.E.A, Arya Samaj Road, Karol Bagh, New Delhi- 110005                                                                                                                                                                                                               |
| (xii)  | Listing Details            | BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001.<br>NSE Limited, C-1, Block-G, Bandra Kurla Com-plex, Bandra (E), Mumbai-400051.<br>Annual Listing Fees for the year 2024-25 has been paid to the BSE Limited and National Stock Ex-change of India Limited within the stipulated time. |
| (xiii) | Script Code                | NSE Limited- CSLFINANCE<br>BSE Limited- 530067                                                                                                                                                                                                                                                             |
| (xiv)  | ISIN                       | INE718F01018                                                                                                                                                                                                                                                                                               |

### Compliance Officer

**Ms. Preeti Gupta**

(Company Secretary & Compliance Officer)

### CSL Finance Limited

716-717, 7<sup>th</sup> Floor, Tower-B  
Word Trade Tower, Sector-16  
Noida-201301, U.P.  
Phone No. 0120-4290650/52  
E-mail: [investor@csloffinance.in](mailto:investor@csloffinance.in)

### Description of Voting Rights

All shares issued by the Company carry equal voting rights.

### Calendar of Financial Year ended March 31, 2025:

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended March 31, 2025, were held on the following dates:

|                                                                                                          |                   |
|----------------------------------------------------------------------------------------------------------|-------------------|
| Financial Reporting for the quarter ending June 30, 2024/First Quarter results                           | July 31, 2024     |
| Financial Reporting for the quarter ending September 30, 2024/<br>Second Quarter and Half Yearly results | November 09, 2024 |
| Financial Reporting for the quarter ending December 31, 2024/<br>Third Quarter results                   | February 11, 2025 |
| Financial Reporting for the quarter and year ending March 31, 2025/<br>Fourth Quarter and Annual results | May 23, 2025      |



### Tentative Calendar of Financial Year ending March 31, 2026:

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending March 31, 2026 are as follows:

|                                                                                                      |                                 |
|------------------------------------------------------------------------------------------------------|---------------------------------|
| Financial Reporting for the quarter ending June 30, 2025/First Quarter results                       | August 12, 2025                 |
| Financial Reporting for the quarter ending September 30, 2025/Second Quarter and Half Yearly results | On or before November 14, 2025  |
| Financial Reporting for the quarter ending December 31, 2025/Third Quarter results                   | On or before February 14, 2026  |
| Financial Reporting for the quarter and year ending March 31, 2026/Fourth Quarter and Annual results | On or before May 30, 2026       |
| AGM for the year ending March 31, 2026                                                               | On or before September 30, 2026 |

**In case the securities are suspended from trading, the director's report shall explain the reason thereof:** N.A.

### Registrar and Share Transfer Agent

M/s MAS Services Limited  
T-34, 2<sup>nd</sup> Floor,  
Okhla Industrial Area Phase-2,  
New Delhi-110 020  
Tel: 011-26387281, 82, 83  
Fax: 011-26787384  
Email: [info@masserv.com](mailto:info@masserv.com)

### Share Transfer System

SEBI has mandated that securities of listed companies can be transferred/traded only in dematerialised form. Further, SEBI has mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition be also processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company i.e., <https://www.csfinance.in/information-for-shareholders>. In case of shares held in dematerialised form, the transfers are processed by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) through the respective Depository Participants.

### Distribution of shareholding

Distribution of shareholding as on March 31, 2025 is as under:

| Shareholding of Nominal Value of ₹ | No. of shareholders |                | Number of Shares   | Amount              |                |
|------------------------------------|---------------------|----------------|--------------------|---------------------|----------------|
|                                    | Number              | %              |                    | ₹                   | %              |
| Upto – 5,000                       | 7,932               | 86.358         | 6,30,510           | 63,05,100           | 2.768          |
| 5001-10,000                        | 514                 | 5.596          | 3,95,525           | 39,55,250           | 1.736          |
| 10,001-20,000                      | 334                 | 3.636          | 4,94,552           | 49,45,520           | 2.171          |
| 20,001-30,000                      | 108                 | 1.176          | 2,73,270           | 27,32,700           | 1.199          |
| 30,001-40,000                      | 60                  | 0.653          | 2,14,990           | 21,49,900           | 0.944          |
| 40,001-50,000                      | 34                  | 0.370          | 1,58,490           | 15,84,900           | 0.696          |
| 50,001-1,00,000                    | 78                  | 0.849          | 5,66,766           | 56,67,660           | 2.488          |
| 1,00,001 & above                   | 125                 | 1.361          | 2,00,48,518        | 20,04,85,180        | 87.999         |
| <b>Total</b>                       | <b>9,185</b>        | <b>100.000</b> | <b>2,27,82,621</b> | <b>22,78,26,210</b> | <b>100.000</b> |

Shareholding pattern of the Company as on March 31, 2025 is as under:

| Shareholding pattern of CSL Finance Limited as on 31.03.2025 |                                                                           |                    |               |
|--------------------------------------------------------------|---------------------------------------------------------------------------|--------------------|---------------|
| Sr.No                                                        | Name                                                                      | No. Of Shares Held | Percentage    |
| 1                                                            | Promoter & Promoter Group                                                 | 1,08,35,664        | 47.56         |
| 2                                                            | Alternate Investment Fund                                                 | 1,26,519           | 0.56          |
| 3                                                            | Foreign Portfolio Investors (CAT-1)                                       | 86,216             | 0.38          |
| 4                                                            | Foreign Portfolio Investors (CAT-2)                                       | 1,03,428           | 0.45          |
| 5                                                            | Key Managerial Personnel                                                  | 165                | 0             |
| 6                                                            | Investor Education And Protection Fund (IEPF)                             | 4,19,545           | 1.84          |
| 7                                                            | Resident Individuals Holding Nominal Share Capital In Excess of ₹ 2 Lakhs | 31,71,202          | 13.92         |
| 8                                                            | Resident Individuals Holding Nominal Share Capital up to ₹ 2 Lakhs        | 30,72,620          | 13.49         |
| 9                                                            | Non-Residents Indians                                                     | 1,39,615           | 0.61          |
| 10                                                           | Bodies Corporate                                                          | 44,96,746          | 19.74         |
| 11                                                           | Others                                                                    | 3,826              | 0.02          |
| 12                                                           | ESOP Trust                                                                | 3,27,075           | 1.44          |
| <b>Total</b>                                                 |                                                                           | <b>2,27,82,621</b> | <b>100.00</b> |

#### Bifurcation of Shares held in physical and demat form as on March 31, 2025

As at March 31, 2025, 99.68% of the Company's paid-up capital is held in the dematerialized form and balance of 0.32% equity shares were held in physical mode, the details of which are as under:

| Particulars                  | No. of Shares   | % of Total Capital |
|------------------------------|-----------------|--------------------|
| Held in Demat form with NSDL | 18488250        | 81.15              |
| Held in Demat form with CDSL | 4221066         | 18.53              |
| Holdings in Physical Mode    | 73305           | 0.32               |
| <b>Total</b>                 | <b>22782621</b> | <b>100</b>         |

Shares in Demat mode have more liquidity as compared to shares held in physical mode. Therefore, the Company recommends shareholders holding shares in physical form to convert their shareholdings to demat mode. The Company's shares are traded at National Stock Exchange of India Limited and BSE Limited respectively. The promoters hold their entire shareholding in dematerialized form.

#### Address for investor's correspondence

|                                                                        |                                                                                                                                                                                                                  |
|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For share transfer/transmission/<br>Dematerialization or other queries | <b>M/s MAS Services Limited</b><br>T-34, 2 <sup>nd</sup> Floor<br>Okhla Industrial Area Phase-2, New Delhi-110 020<br>Tel: 011-26387281, 82, 83<br>Email: <a href="mailto:info@masserv.com">info@masserv.com</a> |
| For General Correspondence:                                            | <b>Secretarial Department</b><br><b>CSL Finance Limited</b><br>716-717, 7 <sup>th</sup> Floor, Tower - B World Trade Tower,<br>Sector - 16 Noida 201301<br>Tel: 011-4290650/52                                   |
| Email id for investor grievance:                                       | <a href="mailto:investor@cslfinance.in">investor@cslfinance.in</a>                                                                                                                                               |

## 8. OTHER DISCLOSURES

**a) Material Transactions with Related Parties:** All Related Party Transactions, as defined under the Act, were in the ordinary course of business and on at Arm's Length basis. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website at <https://www.csifinance.in/codes-and-policies>. During the year 2024-25, the Company has not entered into any materially significant related party transaction, which could have a potential conflict of interest between the Company and its Promoters or Directors or Management or their relatives other than the transactions carried out in the normal course of business. The related party transactions are disclosed in Notes to Accounts.

**b) Detail of non-compliance, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matters related to Capital Markets:**

During the year under review, the Company has duly complied with the requirements, regulations & provisions of stock exchange, SEBI & any other regulatory authorities.

**c) Compliance with mandatory requirements and adoption of non- mandatory requirements:**

In addition to the compliance with mandatory requirements, the Company has also adopted and complied with the following non-mandatory requirements under Part E of Schedule II of the Listing Regulations:

- (i) The Company's financial statements are with unmodified audit opinion. A declaration to this effect, duly signed by the Chief Financial Officer has also been furnished. There are

no audit qualifications on the financial year 2024-25.

- (ii) The Internal Auditor functionally reports to the Audit Committee and makes detailed presentation at quarterly Audit Committee meetings.

- (iii) The Company has Ms. Alaktika Banerjee as woman Independent Director on its Board.

The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2024-25.

**d) Disclosures of commodity price risks and commodity hedging:** The Company does not deal in commodities and hence the disclosure pursuant to the same is not required to be given.

- e) During the year, the Company has not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32(7A) nor allotted any Bonus Shares.

- f) There were no outstanding GDRs/ADRs, as on March 31, 2025.

**g) Compliance with Mandatory requirements of Listing Regulations:** The Company is in compliance with applicable mandatory corporate governance requirements of the Listing Regulations. Specifically, Company confirms compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**h) Statutory Auditor and Audit fees: M/s S.P. Chopra & Co., are the Statutory Auditors of your Company. The details of the total fees for all services paid by the Company to the statutory auditors are as follows:**

(Amount in ₹)

| Type of Services | FY 2024-25       | FY 2023-24       |
|------------------|------------------|------------------|
| Audit Fees*#     | 16,75,750        | 15,61,223        |
| Others           | 1,45,656         | 2,36,912         |
| <b>Total</b>     | <b>18,21,406</b> | <b>17,98,135</b> |

\* Includes Audit and Audit-related services on a consolidated basis.

#Excludes any Out-of-Pocket Expenses Incurred.

The Audit Fees paid to the auditors for the financial year ended March 31, 2025 is covered separately in the Notes to Accounts.



**i) Disclosure in relation to Sexual Harassment of Women at Workplace:**

During the year under review Company has not received any complaints.

|                                                               |     |
|---------------------------------------------------------------|-----|
| Number of Complaints filed during the financial year:         | NIL |
| Number of Complaints disposed- off during the financial year: | NIL |
| Number of Complaints pending as on end of the financial year: | NIL |

**j) Vigil Mechanism/Whistle Blower Policy:**

Pursuant to Section 177(9) and (10) of the Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at <https://www.csloffinance.in/codes-and-policies>

**k) Web Link Where Policy for Determining 'Material' Subsidiary is Disclosed:**

The weblink of policy for determining the material subsidiary is displayed on the Company's website at <https://www.csloffinance.in/codes-and-policies>. However the Company does not have any material subsidiary.

**l) Disclosure of Loans and Advances to firms/ Companies in which Directors are interested**

The aforesaid details are provided in Note No. 46 to the accompanying standalone financial statements.

**m) Details of compliance with discretionary requirements of Part E of Schedule II of Listing Regulations:**

The Company has complied with all the mandatory requirements prescribed by SEBI (LODR) Regulations, 2015 and the Company has also complied with below mentioned discretionary requirements as stated under Part E of schedule II to the SEBI (LODR) Regulations, 2015:

1. The Company's financial statements are unmodified and Company continues to adopt best practices to ensure the regime of unmodified opinion.

2. The reports of the Internal Auditor are placed directly to the Audit Committee.

**n) Certifications**

- **Code of Conduct:** The Board has laid down a **"Code of Conduct"** for all the Board Members and the senior management of the Company and the Code of Conduct has been posted on the website of the Company. Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct. A declaration to this effect signed by Mr. Rohit Gupta, Managing Director (DIN: 00045077) is attached to this report as **Annexure I**.

- The Managing Director and Chief Financial Officer of the Company have given annual certificate on financial reports and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, and the said certificate is annexed with this report in **Annexure II**.

The Managing Director and Chief Financial Officer also jointly issue a quarterly compliance certificate on financial results and place the same before the Board in terms of Regulation 33(2) of the Listing regulations.

- Following certificates have been received from Ms. Jasvinder Kaur (COP No. 7700), proprietor of M/s. Jasvinder Kaur & Co., Practicing Company Secretaries, Ghaziabad
  - That none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The same is annexed to the Director's Report.
  - A Compliance Certificate on the requirements of Corporate Governance which is annexed to this Report as **Annexure III**.

**o) Disclosure of certain types of Agreements binding the Company:**

No such agreements as specified under clause 5A to para A of part A of schedule II, are required to be disclosed in accordance with Regulation 30A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the FY 2024-2025.

**p) Unclaimed Suspense Account**

As on March 31, 2025, the Company does not have any equity shares lying in the unclaimed suspense account.

**9. REPORT ON CORPORATE GOVERNANCE**

This Chapter read together with the "Annexure to Corporate Governance", constitutes the Compliance Report on Corporate Governance for 2024-25.

For and behalf of the Board  
of **CSL Finance Limited**

**Date:** 12.08.2025

**Place:** Noida

**Rohit Gupta**

(Managing Director)

DIN: 00045077

**Ashok Kumar Kathuria**

(Director)

DIN: 01010305

# Annexure-I

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

As per Regulation 17(5) and Regulation 26(3) of Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges, it is hereby declared that all the members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the year ended March 31, 2025.

**Date:** 23.05.2025

**Place:** Noida

**Rohit Gupta**

(Managing Director)

DIN: 00045077



# Annexure-II

## MD AND CFO CERTIFICATE

To,

**The Board of Directors**

Corporate office Address: 716-717, 7<sup>th</sup> Floor,  
Tower-B, World Trade Tower, Sector-16  
Noida, U.P 201301

**Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements), 2015 for the FY 2024-25**

We, the undersigned, hereby certify, to the best of our knowledge and belief, that:

- (a) We have reviewed financial statements and the cash flow statement for FY 2024-25 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have disclosed, based on our evaluation wherever applicable to the Auditors and the Audit Committee that:
  - i. there were no significant changes in internal controls over financial reporting during the year;
  - ii. there are no significant changes in accounting policies during the year, and
  - iii. there were no instances of significant fraud of which we are become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Date:** 23.05.2025

**Place:** Noida

**Rohit Gupta**

(Managing Director)  
DIN: 00045077

**Naresh Chandra Varshney**

Chief Financial officer  
PAN: ACNPV7047F

# Annexure-III

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**CSL Finance Limited**

I, have examined the compliance of the conditions of Corporate Governance by CSL Finance Limited for the year ended on March 31, 2025, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations, 2015").

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of the Listing Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion, to the best of my knowledge and according to the explanation given to me, and the representations made by Directors & the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of the Listing Regulations, 2015 for the year ended March 31, 2025.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Jasvinder Kaur & Co.**  
(Company Secretaries)

**Jasvinder Kaur**  
(Practicing Company Secretary)  
M. No.: F7244  
COP No.: 7700  
UDIN.: F007244G000779202  
Peer Review Certificate No.: 984/2020

**Place:** Ghaziabad  
**Date:** 15.07.2025

# Independent Auditor's Report

To The Members of 'CSL Finance Limited'

## OPINION

We have audited the accompanying financial statements of **CSL Finance Limited** (the "Company"), which comprise the Balance Sheet as at 31 March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ('NBFC Regulations'), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2025 and its Profit (including Other Comprehensive Loss), its changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

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

## KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | How the matter was addressed in the audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Impairment of Financial Assets including Loans to the Customers (Expected Credit Loss)</b> <p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets including loans to customers (designated at amortised cost) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including unbiased, probability weighted outcome under various scenarios, time value of money, impact arising from forward looking macro-economic factors and availability of reasonable and supportable information without undue costs.</p> <p>Applying these principles involves significant estimation in various aspects, such as grouping of borrowers based on homogeneity by using appropriate statistical techniques, staging of loans and estimation of behavioral life, determining macro-economic factors impacting credit quality of receivables, estimation of losses for loan products with no/minimal historical defaults.</p> <p>Considering the significance of such allowance to the overall financial statements (and the degree of estimation involved in computation of expected credit losses), this area is considered as a key audit matter.</p> | <b>Our Audit Procedure:</b> <p>We obtained and evaluated the management's estimations and specifically performed the work as under:</p> <ul style="list-style-type: none"><li>- Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109.</li><li>- Evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation and tested the controls around data extraction and validation.</li><li>- Tested the ECL model, including assumptions and underlying computation.</li><li>- Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.</li></ul> <b>Our Results:</b> <p>The results of our testing were satisfactory and we considered the fair value of the financial assets including loans to customers recognised to be acceptable.</p> |

## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report and Directors' Report, including annexures, if any, thereon, (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this Auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Corporate Governance Report and Directors' Report, including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and the NBFC Regulations, as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by 'the Companies (Auditor's Report) Order, 2020' ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-'A'**, a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-'B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. in our opinion, the remuneration paid by the Company to its Director is in accordance with the provisions of Section 197 read with Schedule V of the Act; and
- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There are no pending litigations which may have the impact on Company's financial position;
  - ii. The Company has not entered into any long-term contracts including derivative contracts;

- iii. There has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend in respect to previous year, declared and paid by the Company during the year, is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in certain components where the audit trail were not operating due to system limitations, as described in Note 77 to the financial statements. The audit trail has been preserved by the Company as per the statutory requirement for record retention. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No. 000346N

**(Pawan K. Gupta)**  
Partner  
M. No. 092529  
UDIN: 25092529BMNZLF1333

**Place:** Noida  
**Dated:** 23 May, 2025

# Annexure-‘A’

## To the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the independent auditor's report of even date on the financial statements of 'CSL Finance Limited' for the year ended 31 March, 2025)

- (i) In respect of the Company's Property, plant and equipments, Intangible assets, and Right to use assets;
    - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment and relevant details of Right to use assets.
    - (B) The Company has maintained proper records showing full particulars of the Intangible assets.
  - b. As explained to us, the Property, plant and equipments and Right to use assets are physically verified by the management at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds in respect of the buildings included in the financial statements under Property, plant and equipments and investment property (other than buildings where the Company is the lessee and the lease agreement is duly executed in its favour) are held in the name of the Company.
  - d. The Company has not revalued any of its Property, plant and equipment (including Right to use assets) and Intangible Assets during the year.
  - e. According to the information and explanations given to us and based on our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31 March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, as amended.
  - (ii) (a) According to the information and explanations given to us, the Company's business/operations do not carry any inventory, hence reporting under clause 3(ii) a is not applicable.
  - (b) The Company has been sanctioned working capital limits/facilities from banks on the basis of security of receivables/loans. The statements filed by the Company with the banks were generally found to be in agreement with the books of accounts as per our examination of the records.
  - (iii) The Company is a Non-Banking Financial Company registered under Section 45-IA of the Reserve Bank of India Act, 1934, and as a part of its business activities is engaged in lending/ granting of the loans to various types/categories of the customers.
- During the year, the Company has not made any investment or provided the guarantee or security, however, in the ordinary course of its business, the Company has granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such loans and advances:
- (a) As the Company's principal business is to give loans, the clause 3(iii)(a) is not applicable.
  - (b) According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, having regard to the nature of the Company's business, terms and conditions of the grant of the loans are not prejudicial to its interest.
  - (c) and (d) In respect of the loans, and advances in the nature of loans, given by the Company the schedules of repayment of principal and payment of interest have been stipulated, and the payments are being received regularly in accordance with the schedule of payments, except in the case of certain loans where the repayments are not being received on regular basis, and the payment of ₹ 398.57 lacs, (net of impairment loss allowance) in these cases is overdue since more than 90 days, for which the necessary steps and legal recourse were found to be taken by the Company during our examination of the relevant records.
  - (e) As the Company's principal business is to give loans, the clause 3(iii)(e) is not applicable.
  - (f) According to the information and explanations given to us and based on our examination of the records of the Company,

the Company has not granted any loans, and advances in the nature of loans, either repayable on demand or without specifying the terms of repayment.

(iv) According to the information and explanations given to us, and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans granted, as applicable. Further, as informed, the Company has not made any investment or provided the guarantees and security during the year, hence the reporting under this clause is not applicable in respect of investment or guarantee or security.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government of India under sub-section (1) of Section 148 of the Act for any of the business activities carried out by the Company. Hence reporting under clause 3(vi) of the Order is not applicable.

(vii) In respect of statutory dues:

a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March, 2025 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, and the records of the Company examined by us, there are no dues in respect of any statutory dues referred to in sub-clause (a) above which have not been deposited on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) Based on the audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in

the payment of interest to the lenders from whom such loans or borrowings have been borrowed.

(b) Based on the audit procedures and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) Based on the audit procedures and according to the information and explanations given to us, the Company has applied the term loans for the purpose for which these loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) As the Company does not have any subsidiary, associate or joint venture, hence reporting under clause 3(ix)(e) is not applicable.

(f) As the Company does not have any subsidiary, associate or joint venture, hence reporting under clause 3(ix)(f) is not applicable.

(x) (a) The Company during the year has neither raised funds by way of initial public offer nor further public offer (including debt instruments), hence reporting under this clause is not applicable.

(b) According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence reporting under this clause is not applicable.

(xi) (a) Based on the audit procedures and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, as amended, with the Central Government, during the year and upto the date of this report.

(c) We have been informed that no whistle blower complaint was received by the Company during the year, and upto the date of this report, hence reporting under this clause is not applicable.



- (xii) The Company is not a Nidhi Company, hence reporting under clauses 3(xii)(a) to 3(xii)(c) is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable. The details of such transactions have been disclosed in the financial statements, as required by Ind AS 24 – Related Party Disclosures.
- (xiv) (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with them.
- (xvi) (a) The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company.
- (b) The Company is conducting its activities as a Non-Banking Financial Company in accordance with the Certificate issued by the Reserve Bank of India.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by RBI, hence reporting under this clause is not applicable.
- (d) As informed and in our view, there is no Core Investment Company within the Group of the Company, hence reporting under this clause is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year, hence reporting under this clause is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the Act in compliance with second proviso to sub section 5 of Section 135 of the Act, hence reporting under this clause is not required.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section (6) of Section 135 of the Act, hence reporting under this clause is not required.

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Regn. No. 000346N

**(Pawan K. Gupta)**  
Partner  
M. No. 092529  
UDIN:

**Place:** Noida  
**Dated:** 23 May, 2025

# Annexure-‘B’

## To the Independent Auditors’ Report

(Referred to in paragraph 2(f) under ₹Report on Other Legal and Regulatory Requirements’ section of the independent auditors’ report of even date on the financial statements of CSL Finance Limited for the year ended 31 March, 2025)

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of **CSL Finance Limited** (“the Company”) as of 31 March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the “Guidance Note on Audit of Internal Financial Controls Over Financial Reporting” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to the financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For S. P. Chopra & Co.**

Chartered Accountants  
Firm Regn. No. 000346N

**(Pawan K. Gupta)**

Partner  
M. No. 092529  
UDIN:

**Place:** Noida

**Dated:** 23 May, 2025

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## INDEPENDENT AUDITORS' REPORT REQUIRED AS PER CHAPTER – II OF MASTER DIRECTION - NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016

To,  
The Board of Directors,  
**CSL Finance Limited,**  
716-717, 7<sup>th</sup> Floor,  
World Trade Tower,  
Sector 16, Noida-201301

1. This report is issued in accordance with the terms of our engagement letter with CSL Finance Limited (hereinafter the "Company").
2. The Company is a non-banking financial Company ("NBFC") registered with the Reserve Bank of India ("RBI"), and is required to submit this report for the year ended March 31, 2025, with the RBI pursuant to the Chapter – II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 issued vide notification no. DNBS.PPD.03/66.15.001/2016-17 dated September 29, 2016 ("RBI Directions").
3. We have audited the financial statements of the Company, which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of the material accounting policies and other explanatory information, on which we have issued our report dated May 23, 2025.

### Management's Responsibilities

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and RBI Directions, as amended from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

5. The Management is also responsible for compliance with the applicable and relevant provisions of Reserve Bank of India Act, 1934 and the Master Directions, Guidelines and Circulars as applicable to Non-Banking Financial Companies, issued by RBI, as amended from time to time, and for providing all the required information to RBI.

### Auditor's Responsibility

6. Pursuant to the requirements of the Directions referred to in paragraph 2 above it is our responsibility to examine the audited books and records of the Company for the year ended March 31, 2025 and report on the matters specified in the Directions to the extent applicable to the Company.
7. We have audited the financial statements of the Company as of and for the financial year ended March 31, 2025, on which we issued an unqualified audit opinion vide our report dated May 23, 2025. Our audit of the financial statements were conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.
8. We conducted our examination in accordance with the requirements of the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. Our scope of work did not include verification of compliance with the other requirements of other circulars and notifications issued by regulatory authorities from time to time and any other laws and regulations applicable to the Company.



9. We have complied with the relevant applicable requirements of Standards on Quality Control (SQC) 1, Quality control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

10. Basis on our examination of the audited books and records of the Company for the year ended March 31, 2025 as produced for our examination and the information and explanations given to us, we report that:

- a) The Company is engaged in the business of Non-Banking Financial Company and has obtained certificate of registration ("COR") on March 03, 2003, from Reserve Bank of India.
- b) The Company is entitled to continue to hold such COR as on March 31, 2025 and meeting its Principal Business Criteria (financial asset/income pattern) as on March 31, 2025.
- c) The Company is meeting the required "Net owned Fund" requirements as laid down in Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 dated 19<sup>th</sup> October 2023.
- d) The Board of Director of the Company has passed resolution on April 02, 2024 for non-acceptance of public deposits for the Financial Year 2024-25 and the Company has not accepted any public deposits during the year ended March 31, 2025.
- e) The Financial Statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). Accordingly the Company, for the purposes of assets classification, income recognition and provisioning requirements has followed the requirements of these Ind AS to the extent applicable to the Company and also

followed and complied with the related and applicable Master Directions/Guidelines issued by RBI in this regard.

- f) In our opinion, the Capital Adequacy ratio as disclosed in the Return submitted to RBI in Form DNBS-3 for Quarter 4 has been correctly arrived at on the basis of audited financial statements and such ratio is in compliance with minimum CRAR prescribed by RBI.

As per information and explanation given to us, the annual statement of capital funds, risk assets/exposure and risk asset ratio (DNBS-03) as on March 31, 2025 has been filed by the Company with some delay.

- g) Since the Company is not an NBFC-Micro Financial Institutions (MFI) as defined in paragraph 3 (xx) of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023, the matters specified in this paragraph are not applicable to the Company.

### Restriction on Use

11. Our obligation in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing said in this report, nor anything said or done in course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditor of any financial statements of the Company.
12. This report is issued pursuant to our obligations under RBI Directions to submit a report on additional matters as stated in the above RBI Directions, to the Board of Directors of the Company and should not be used by any other person or for any other purpose; we neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

### For S. P. Chopra & Co.

Chartered Accountants  
Firm Regn. No. 000346N

### (Pawan K. Gupta)

Partner  
M. No. 092529  
UDIN: 25092529BMNZLF1333

**Place:** Noida

**Dated:** 23 May, 2025

(Amount in ₹ Lakhs, unless otherwise stated)

# Balance Sheet

As at 31 March, 2025

| Particulars                                                         | Note No.    | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------------------------------------|-------------|-------------------------|-------------------------|
| <b>ASSETS</b>                                                       |             |                         |                         |
| <b>Financial Assets</b>                                             |             |                         |                         |
| Cash and Cash Equivalents                                           | 4           | 6,380.11                | 5,408.71                |
| Bank Balance other than Cash and Cash Equivalents                   | 5           | 1,670.93                | 930.32                  |
| Loans                                                               | 6           | 1,14,417.64             | 90,925.07               |
| Other Financial Assets                                              | 7           | 489.54                  | 262.39                  |
| <b>Non-financial Assets</b>                                         |             |                         |                         |
| Current Tax Assets (Net)                                            | 18(b)       | 181.05                  | -                       |
| Deferred Tax Assets (Net)                                           | 8           | 111.27                  | 105.31                  |
| Investment Property                                                 | 9           | 15.57                   | 13.14                   |
| Property, Plant and Equipment                                       | 10          | 598.34                  | 548.18                  |
| Intangible Assets Under Development                                 | 11          | 8.47                    | 15.35                   |
| Other Intangible Assets                                             | 12          | 70.03                   | 70.11                   |
| Right-of-use Assets                                                 | 13          | 182.44                  | 134.27                  |
| Other Non-Financial Assets                                          | 14          | 96.01                   | 69.10                   |
| Assets held for sale                                                | 15          | 286.01                  | 51.25                   |
| <b>Total Assets</b>                                                 |             | <b>1,24,507.41</b>      | <b>98,533.20</b>        |
| <b>LIABILITIES AND EQUITY</b>                                       |             |                         |                         |
| <b>LIABILITIES</b>                                                  |             |                         |                         |
| <b>Financial Liabilities</b>                                        |             |                         |                         |
| Borrowings                                                          | 16          | 69,494.29               | 50,322.30               |
| Lease Liabilities                                                   | 13          | 218.79                  | 171.27                  |
| Other Financial Liabilities                                         | 17          | 455.63                  | 423.32                  |
| <b>Non-Financial Liabilities</b>                                    |             |                         |                         |
| Current Tax Liabilities (Net)                                       | 18(a)       | -                       | 7.40                    |
| Provisions                                                          | 19          | 44.08                   | 31.95                   |
| Other Non-Financial Liabilities                                     | 20          | 129.95                  | 94.25                   |
| <b>EQUITY</b>                                                       |             |                         |                         |
| Equity Share Capital                                                | 21          | 2,245.55                | 2,243.62                |
| Other Equity                                                        | 22          | 51,919.12               | 45,239.09               |
| <b>Total Liabilities and Equity</b>                                 |             | <b>1,24,507.41</b>      | <b>98,533.20</b>        |
| Corporate Information, Material Accounting Policies and Other Notes | 1-3 & 33-81 |                         |                         |

As per our Report of even date attached

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Registration No. 000346N

FOR & ON BEHALF OF THE BOARD

**(Rohit Gupta)**  
Managing Director  
DIN: 00045077

**(Ashok Kumar Kathuria)**  
Director  
DIN: 01010305

**(Pawan K. Gupta)**  
Partner  
Membership No: 092529

**(Preeti Gupta)**  
Company Secretary  
M. No: FCS A43593

**(Naresh C. Varshney)**  
Chief Financial Officer

**Date:** 23 May, 2025

**Place:** Noida

(Amount in ₹ Lakhs, unless otherwise stated)

# Statement of Profit and Loss

For the year ended 31 March, 2025

| Particulars                                                      | Note No. | For the Year ended 31 March, 2025 | For the Year ended 31 March, 2024 |
|------------------------------------------------------------------|----------|-----------------------------------|-----------------------------------|
| <b>Revenue From Operations</b>                                   |          |                                   |                                   |
| Interest Income                                                  | 23       | 19,910.70                         | 15,335.56                         |
| Fees and Commission Income                                       | 24       | 1,180.49                          | 995.50                            |
| Recoveries Of Financial Assets Written Off                       | 25       | 414.89                            | 233.81                            |
| <b>Total Revenue From Operations (I)</b>                         |          | <b>21,506.08</b>                  | <b>16,564.87</b>                  |
| <b>Other Income</b>                                              |          |                                   |                                   |
| Other Income                                                     | 26       | 98.23                             | 93.62                             |
| <b>Total Other Income (II)</b>                                   |          | <b>98.23</b>                      | <b>93.62</b>                      |
| <b>Total Income (III)=(I+II)</b>                                 |          | <b>21,604.31</b>                  | <b>16,658.49</b>                  |
| <b>Expenses</b>                                                  |          |                                   |                                   |
| Finance Costs                                                    | 27       | 6,491.49                          | 4,293.87                          |
| Fees and Commission Expense                                      | 28       | 47.67                             | 25.86                             |
| Impairment of Financial Instruments                              | 29       | 1,195.53                          | 515.08                            |
| Employee Benefits Expenses                                       | 30       | 2,780.04                          | 2,157.04                          |
| Depreciation, Amortization & Impairment                          | 31       | 172.00                            | 137.75                            |
| Other Expenses                                                   | 32       | 1,229.46                          | 969.29                            |
| <b>Total Expenses (IV)</b>                                       |          | <b>11,916.19</b>                  | <b>8,098.89</b>                   |
| <b>Profit Before Tax (V)=(III-IV)</b>                            |          | <b>9,688.12</b>                   | <b>8,559.60</b>                   |
| <b>Tax Expense: (VI)</b>                                         | <b>8</b> |                                   |                                   |
| - Current Year's                                                 |          | 2,484.43                          | 2,179.34                          |
| - Earlier Year's                                                 |          | -                                 | 29.79                             |
| - Deferred Tax                                                   |          | (5.58)                            | 14.26                             |
| <b>Profit for the year (VII)=(V-VI)</b>                          |          | <b>7,209.27</b>                   | <b>6,336.21</b>                   |
| <b>Other Comprehensive Income</b>                                |          |                                   |                                   |
| <b>(i) Items that will not be reclassified to profit or loss</b> |          |                                   |                                   |
| Re-measurement (losses) on defined benefit plans                 |          | (1.53)                            | (9.26)                            |
| Income tax impact thereon                                        |          | 0.38                              | 2.33                              |
| <b>Other Comprehensive (Loss) for the year (VIII)</b>            |          | <b>(1.15)</b>                     | <b>(6.93)</b>                     |
| <b>Total Comprehensive Income for the year (VII+VIII)</b>        |          | <b>7,208.12</b>                   | <b>6,329.28</b>                   |
| Earnings per equity share (face value of ₹ 10/- per share)       | 36       |                                   |                                   |
| Basic (₹)                                                        |          | 31.64                             | 28.60                             |
| Diluted (₹)                                                      |          | 31.29                             | 28.27                             |

Corporate Information, Material Accounting Policies and Other Notes

1-3 & 33-81

As per our Report of even date attached

**For S. P. Chopra & Co.**

Chartered Accountants

Firm Registration No. 000346N

FOR & ON BEHALF OF THE BOARD

**(Rohit Gupta)**

Managing Director  
DIN: 00045077

**(Ashok Kumar Kathuria)**

Director  
DIN: 01010305

**(Pawan K. Gupta)**

Partner  
Membership No: 092529

**(Preeti Gupta)**

Company Secretary  
M. No: FCS A43593

**(Naresh C. Varshney)**

Chief Financial Officer

**Date:** 23 May, 2025

**Place:** Noida

(Amount in ₹ Lakhs, unless otherwise stated)

# Statement of Cash Flows

## For the year ended 31 March, 2025

| Particulars                                                           | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|-----------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Cash Flow From Operating Activities:</b>                           |                                      |                                      |
| Profit before Tax                                                     | 9,688.12                             | 8,559.60                             |
| <b>Adjustments to reconcile profit before tax to net cash flows:</b>  |                                      |                                      |
| Depreciation on Property, Plant & equipment and Investment Property   | 90.68                                | 82.02                                |
| Amortization on Intangible Assets                                     | 24.66                                | 11.93                                |
| Depreciation on Right-of-use Assets                                   | 56.66                                | 43.81                                |
| Interest accretion on lease liabilities                               | 24.87                                | 18.03                                |
| Unamortised Cost on Borrowings                                        | 188.06                               | 95.69                                |
| Impairment of financial instruments                                   | 1,195.53                             | 515.08                               |
| (Profit) on Sale of Property, Plant and Equipment (Net)               | (0.08)                               | (0.29)                               |
| Share based payment expenses (net)                                    | 22.00                                | 3.37                                 |
| Reversal of Liability on lease termination                            | (1.63)                               | (0.76)                               |
| Gain on termination of lease                                          | (0.16)                               | (0.38)                               |
| Interest income on unwinding of security deposits                     | (1.08)                               | (0.82)                               |
| <b>Operating Profit before Working Capital changes</b>                | <b>11,287.63</b>                     | <b>9,327.28</b>                      |
| <b>Adjustments for changes in Working Capital:</b>                    |                                      |                                      |
| Loans                                                                 | (24,922.87)                          | (19,172.98)                          |
| Other Financial assets                                                | (227.14)                             | (179.82)                             |
| Bank Balance other than cash and cash equivalents                     | (740.61)                             | (372.28)                             |
| Other non-financial assets                                            | (26.91)                              | (59.60)                              |
| Other financial liabilities                                           | 32.31                                | 116.90                               |
| Other non-financial liabilities                                       | 35.70                                | 37.55                                |
| Provisions                                                            | 10.98                                | (37.94)                              |
| <b>Cash (Used in) Operations</b>                                      | <b>(14,550.91)</b>                   | <b>(10,340.89)</b>                   |
| - Taxes (Paid) (Net)                                                  | (2,673.26)                           | (2,426.27)                           |
| <b>Net Cash (outflow) from Operating Activities (A)</b>               | <b>(17,224.17)</b>                   | <b>(12,767.16)</b>                   |
| <b>Cash Flow From Investing Activities:</b>                           |                                      |                                      |
| Purchase of Property, plant and equipment and intangible assets (net) | (161.08)                             | (147.98)                             |
| Sale of Property, Plant and Equipment and Intangible assets           | 0.19                                 | 18.60                                |
| <b>Net Cash (outflow) from Investing Activities (B)</b>               | <b>(160.89)</b>                      | <b>(129.38)</b>                      |
| <b>Cash Flow From Financing Activities:</b>                           |                                      |                                      |
| Borrowings proceeds (net)                                             | 18,983.92                            | 13,619.77                            |
| Repayment of Debt Securities (Net)                                    | -                                    | (4,198.77)                           |
| Equity share capital issued (Including premium)                       | 21.41                                | 5,467.67                             |
| Repayment of lease liabilities                                        | (54.43)                              | (41.26)                              |
| Payment of interest on lease liabilities                              | (24.87)                              | (18.03)                              |
| Dividend paid                                                         | (569.57)                             | (560.63)                             |
| <b>Net Cash Inflow from Financing Activities (C)</b>                  | <b>18,356.46</b>                     | <b>14,268.75</b>                     |
| <b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>              | <b>971.40</b>                        | <b>1,372.21</b>                      |
| Cash and Cash Equivalents at the Beginning of the Year                | 5,408.71                             | 4,036.50                             |
| <b>Cash and Cash Equivalents at the end of the Year</b>               | <b>6,380.11</b>                      | <b>5,408.71</b>                      |
| <b>Cash and Cash Equivalents at the end of the Year comprises of</b>  |                                      |                                      |
| Cash in hand                                                          | 43.38                                | 29.43                                |
| Balances with banks                                                   |                                      |                                      |
| - in current accounts                                                 | 5,135.94                             | 2,827.31                             |
| - in fixed deposits (with original maturity of 3 months or less)      | 1,200.79                             | 2,551.97                             |
| <b>TOTAL</b>                                                          | <b>6,380.11</b>                      | <b>5,408.71</b>                      |

Corporate Information, Material Accounting Policies and Other Notes (1-3 &amp; 33 -81)

As per our Report of even date attached

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Registration No. 000346N

FOR &amp; ON BEHALF OF THE BOARD

**(Rohit Gupta)**  
Managing Director  
DIN: 00045077

**(Ashok Kumar Kathuria)**  
Director  
DIN: 01010305

**(Pawan K. Gupta)**  
Partner  
Membership No: 092529

**(Preeti Gupta)**  
Company Secretary  
M. No: FCS A43593

**(Naresh C. Varshney)**  
Chief Financial Officer

**Date:** 23 May, 2025  
**Place:** Noida



(Amount in ₹ Lakhs, unless otherwise stated)

# Statement of Changes in Equity

For The year ended 31 March, 2025

## A. EQUITY SHARE CAPITAL

### (1) Current Reporting period (31 March, 2025)

| Balance at the beginning of the reporting year* | Changes in equity share capital during the current year | Treasury shares (held with ESOS Trust) | Balance at the end of the reporting period |
|-------------------------------------------------|---------------------------------------------------------|----------------------------------------|--------------------------------------------|
| 2,278.26                                        | -                                                       | (32.71)                                | 2,245.55                                   |

\* Shares held at the beginning of the reporting period includes 346450 shares held by trust.

### (2) Previous Reporting period (31, March, 2024)

| Balance at the beginning of the reporting year | Changes in equity share capital during the current year | Treasury shares (held with ESOS Trust) | Balance at the end of the reporting period |
|------------------------------------------------|---------------------------------------------------------|----------------------------------------|--------------------------------------------|
| 2,073.26                                       | 205.00                                                  | (34.65)                                | 2,243.62                                   |

\* Shares held at the beginning of the reporting period includes 494264 shares held by trust.

(Amount in ₹ Lakhs, unless otherwise stated)

## B. OTHER EQUITY

### (1) Current Reporting period (31 March, 2025)

| Particulars                                             | Reserves & Surplus |                    |                            |                 |                   |                              |                                  | Money Received against Share warrants                                             | Total              |
|---------------------------------------------------------|--------------------|--------------------|----------------------------|-----------------|-------------------|------------------------------|----------------------------------|-----------------------------------------------------------------------------------|--------------------|
|                                                         | Capital Reserve    | Securities Premium | Capital Redemption Reserve | General Reserve | Retained Earnings | Debenture Redemption Reserve | Share option outstanding account | Statutory reserve fund under Section 45 IC of the Reserve Bank of India Act, 1934 |                    |
| <b>Balance at the beginning of the reporting period</b> | <b>206.49</b>      | <b>12,735.72</b>   | <b>62.16</b>               | <b>4,004.00</b> | <b>21,701.77</b>  | <b>-</b>                     | <b>83.87</b>                     | <b>6,445.09</b>                                                                   | <b>- 45,239.09</b> |
| Total comprehensive income for the current year         | -                  | -                  | -                          | -               | (1.15)            | -                            | -                                | -                                                                                 | (1.15)             |
| Dividends                                               | -                  | -                  | -                          | -               | (569.57)          | -                            | -                                | -                                                                                 | (569.57)           |
| Profit for the year                                     | -                  | -                  | -                          | -               | 7,209.27          | -                            | -                                | -                                                                                 | 7,209.27           |
| Transfer to statutory reserve                           | -                  | -                  | -                          | -               | (1,441.85)        | -                            | -                                | 1,441.85                                                                          | -                  |
| Share option outstanding expense                        | -                  | -                  | -                          | -               | -                 | -                            | 30.13                            | -                                                                                 | 30.13              |
| Share option exercised                                  | -                  | 23.64              | -                          | -               | -                 | -                            | (4.17)                           | -                                                                                 | 19.47              |
| Reversal on shares lapsed                               | -                  | -                  | -                          | -               | -                 | -                            | (8.13)                           | -                                                                                 | (8.13)             |
| <b>Balance at the end of the reporting period</b>       | <b>206.49</b>      | <b>12,759.36</b>   | <b>62.16</b>               | <b>4,004.00</b> | <b>26,898.47</b>  | <b>-</b>                     | <b>101.70</b>                    | <b>7,886.94</b>                                                                   | <b>- 51,919.12</b> |

(2) Previous Reporting period (31, March, 2024)

| Particulars                                      | Capital Reserve | Securities Premium | Capital Redemption Reserve | General Reserve | Retained Earnings | Debenture Redemption Reserve | Share option outstanding account | Statutory reserve fund under Section 45 IC of the Reserve Bank of India Act, 1934 | Money Received against Share warrants | Total     |
|--------------------------------------------------|-----------------|--------------------|----------------------------|-----------------|-------------------|------------------------------|----------------------------------|-----------------------------------------------------------------------------------|---------------------------------------|-----------|
| Balance at the beginning of the reporting period | 206.49          | 7,313.68           | 62.16                      | 4.00            | 17,207.92         | 4,000.00                     | 114.64                           | 5,179.23                                                                          | 140.00                                | 34,228.13 |
| Total comprehensive income for the current year  | -               | -                  | -                          | -               | (6.93)            | -                            | -                                | -                                                                                 | -                                     | (6.93)    |
| Dividends                                        | -               | -                  | -                          | -               | (569.57)          | -                            | -                                | -                                                                                 | -                                     | (569.57)  |
| Profit for the year                              | -               | -                  | -                          | -               | 6,336.20          | -                            | -                                | -                                                                                 | -                                     | 6,336.20  |
| Transfer to statutory reserve                    | -               | -                  | -                          | -               | (1,265.85)        | -                            | -                                | 1,265.85                                                                          | -                                     | -         |
| Share option outstanding expense                 | -               | -                  | -                          | -               | -                 | -                            | 21.07                            | -                                                                                 | -                                     | 21.07     |
| Share option exercised                           | -               | 205.04             | -                          | -               | -                 | -                            | (39.89)                          | -                                                                                 | -                                     | 165.15    |
| Reversal on shares lapsed                        | -               | -                  | -                          | -               | -                 | -                            | (11.96)                          | -                                                                                 | -                                     | (11.96)   |
| Issue of shares against warrants                 | -               | 525.00             | -                          | -               | -                 | -                            | -                                | -                                                                                 | -                                     | 525.00    |
| Issue of shares under Preferential allotment     | -               | 4,692.00           | -                          | -               | -                 | -                            | -                                | -                                                                                 | -                                     | 4,692.00  |
| Transfer to General Reserve                      | -               | -                  | -                          | 4,000.00        | -                 | (4,000.00)                   | -                                | -                                                                                 | -                                     | -         |
| Amount received against issue of share warrants  | -               | -                  | -                          | -               | -                 | -                            | -                                | -                                                                                 | (140.00)                              | (140.00)  |
| Balance at the end of the reporting period       | 206.49          | 12,735.72          | 62.16                      | 4,004.00        | 21,701.77         | -                            | 83.87                            | 6,445.09                                                                          | -                                     | 45,239.09 |

Corporate Information, Material Accounting Policies and Other Notes (1-3 & 33 -81)

As per our Report of even date attached

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Registration No. 000346N

FOR & ON BEHALF OF THE BOARD

**(Pawan K. Gupta)**  
Partner  
Membership No: 092529

**(Rohit Gupta)**  
Managing Director  
DIN: 00045077

**(Ashok Kumar Kathuria)**  
Director  
DIN: 01010305

**(Naresh C. Varshney)**  
Chief Financial Officer

**Date:** 23 May, 2025  
**Place:** Noida

(Amount in ₹ Lakhs, unless otherwise stated)

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2025

## 1. CORPORATE INFORMATION

CSL Finance Limited (the 'Company'/'CSL') is a Public Limited Company incorporated in India on 28<sup>th</sup> December, 1992 under the provisions of the Companies Act, 2013. The registered office of the Company is located at 410-412, 18/12, 4<sup>th</sup> Floor, W.E.A., Arya Samaj Road, Karol Bagh, New Delhi -110005. Equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE). The Company is registered as a Non-Banking Financial Company with the Reserve Bank of India ("RBI").

The Company is engaged in the business of providing the finance facilities to small and medium size business units to fulfil their financial needs. The complete business of CSL can be classified into two broader segments of SME business and Wholesale business. SME business is mainly focused on micro and small business loans to various business entities, which is secured mostly against self-occupied Residential or Commercial properties. Wholesale business is focused on big ticket size loans for working capital requirement of businesses. This segment also covers construction finance facilities to builders and developers for redevelopment of sites for meeting their short term funding requirements. These loans are majorly last mile funding or mainly lent to affordable segment where demand and sale is easily predictable.

The financial statements for the year ended 31<sup>st</sup> March, 2025, were approved by the Board of Directors and authorized for issue on 23 May, 2025, and recommended for consideration and adoption by the shareholders in their ensuing annual general meeting.

## 2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

### 2.1 Compliance with Indian Accounting Standards (Ind – AS)

These financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015, and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (the 'NBFC Regulations') issued by RBI, both as amended from time to time. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

### 2.2 Presentation of financial statements

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA) vide its notification dated October 11, 2018.

### 2.3 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except, certain financial assets and liabilities, measured at fair value, as stated respectively.

### 2.4 Functional and presentation currency

The financial statements are prepared in Indian Rupees ('Rs.'), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lacs with two decimal places, unless stated otherwise.

## 3 MATERIAL ACCOUNTING POLICIES

### 3.1 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Receivables and payables, loan, investments in subsidiaries and associates, borrowings, cash and cash equivalents, other bank balances etc. are some examples of financial instruments.

All financial instruments are at amortised cost, unless otherwise specified.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments.

#### 3.1.1 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

#### 3.1.2 Subsequent measurement of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair Value through Other Comprehensive Income



### - Fair Value through Profit and Loss

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-fortrading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

### 3.1.3 Derecognition of financial assets and liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

A financial liability is derecognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in Statement of profit and loss.

## 3.2 Impairment of financial assets

The Company recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit

losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The Company recognises lifetime ECL for loans and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### The calculation of ECLs

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument.

**Stage 1:** (0-30 days) includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

**Stage 2:** (31-90 days) includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

**Stage 3:** (more than 90 days) includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default.

#### (i) Definition of default

The Company considers a financial asset to be in "default" when a financial asset is 90 days past due and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

#### (ii) Exposure at default

EAD is based on the amounts the Company expects to be owed at the time of default. Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions

underlying the expected credit loss are monitored and reviewed on an ongoing basis. The EAD for Stage 3 assets is the gross principal outstanding at the date of default.

### **(iii) Estimations and assumptions considered in the ECL model**

The probability of default (PD') is the likelihood that an obligor will default on its obligations in the future. Ind AS 109 requires a separate PD for a 12-month duration and lifetime duration depending on the stage allocation of the obligor.

PD describes the probability of a loan to eventually falling in default (>90 days past due) category. To calculate the PD, loans are classified in three stages based on risk profile of the loan products. PD %age is calculated for each loan product separately and is determined by using available historical observations.

**PD for stage 1:** derived as %age of all loans in stage 1 moving into stage 2 in 12 - months' time.

**PD for stage 2:** derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.

**PD for stage 3:** derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days that matches the definition of stage 3.

### **(iv) Forward looking information**

PDs has been converted into forward looking PD which incorporates the forward-looking economic outlook. For SME and Wholesale portfolio, Real GDP (% change p.a.) is used as the macroeconomic variable.

### **(v) Assessment of significant increase in credit risk**

When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort.

### **(vi) Write Offs/Recoveries**

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

### **(vii) Undrawn commitments**

These commitments pertain to the loans sanctioned but amount remaining undrawn. The Company can opt not to disburse the undrawn amount at its discretion. Therefore, no provision has been created on these commitments.

### **Other Financial Assets**

In respect of other financial assets, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

### **3.3 Write-offs**

If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instrument in statement of profit and loss.

### **3.4 Fair value measurement**

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date.

Fair value is the price that would be received against sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into Level I, Level II and Level III based on the lowest level input that is significant to the fair value measurement as a whole.

For assets and liabilities that are fair valued in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

### 3.5 Foreign currency translation

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise. The long term foreign currency monetary items are carried at the exchange rate prevailing on the date of initial transaction.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Premium or discount on forward exchange contract is amortised as income or expense over the life of the contract. Exchange difference on such contract is recognized in the Statement of Profit and Loss in the reporting period in which the exchange rate changes. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expenditure during the period.

### 3.6 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company has taken certain assets on Operating Lease. Operating Lease is a contract, which conveys the right to Lessee, to control the use of an identified asset for a period of time, the lease term, in exchange for consideration. The Company assesses whether a contract is, or contains, a lease on inception.

The lease term is either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Company will extend the term, or a lease period in which it is reasonably certain that the Company will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

At commencement, or on the modification, of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability

adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is amortised/depreciated using straight-line method from the commencement date to the end of the lease term. If the lessor transfers ownership of the underlying asset to the Company by the end of the lease term or if the Company expects to exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as the Company's other property, plant and equipment. Right-of-use assets are reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the total lease payments due on the commencement date, discounted using either the interest rate implicit in the lease, if readily determinable, or more usually, an estimate of the Company's incremental borrowing rate on the inception date for a loan with similar terms to the lease. The incremental borrowing rate is estimated by obtaining interest rates from various external financing sources.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In accordance with Ind AS 116, the Company does not recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases i.e. leases with a lease term of 12 months or less and containing no purchase options. Payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

### 3.7 Recognition of revenue and expenses

#### 3.7.1 Revenues:

##### a. Interest Income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash

payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets after setting-off of collateral amounts. In case of credit-impaired financial assets regarded as 'stage 3', the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR, except wherever not considered prudent, considering the low probability of recovery. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest on financial assets subsequently measured at fair value through profit and loss, is recognized on accrual basis in accordance with the terms of the respective contract.

Delayed payment interest (penal interest and the like) levied on customers for delay in repayment/non-payment of contractual cash flows is recognised on realisation.

#### **b. Net gain on fair value changes**

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

#### **c. Income from financial instruments at FVTPL**

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL except those that are held for trading.

**d.** The Company recognises revenue (other than for those items to which Ind AS 109 'Financial Instruments' are applicable) based on a comprehensive assessment model as set out in Ind AS 115 "Revenue from Contracts with Customers". The Company identifies contract(s) with a customer and its performance obligation under the contract, determines the transaction price and its allocation to performance obligation in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at the fair value of the consideration received or receivable.

#### **i) Fees & Commission Income**

Processing fees and other servicing fees is recognized on accrual basis. The Company recognises service

and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery. Fees on value added services and products are recognised on rendering of services and products to the customer.

#### **ii) Other Income**

All other income is recognised on an accrual basis, when there is no uncertainty in the ultimate realisation/collection.

#### **iii) Dividend Income**

Dividend Income on investments is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### **3.7.2 Expenditures:**

#### **a. Finance Costs:**

Borrowing costs on financial liabilities are recognised using the EIR.

#### **b. Fees and commission expenses:**

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognised in the Statement of Profit and loss on an accrual basis.

#### **c. Other expenses:**

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

### **3.8 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **3.9 Property, plant and equipment**

Property plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future



economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income/expense in the statement of profit and loss in the year the asset is derecognised.

### Depreciation methods, estimated useful lives

Depreciation on property, plant and equipment is provided on straight-line method over the useful life of the assets estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Leasehold improvements are amortized over the primary lease period, which corresponds with the useful lives of the assets, or whichever is shorter.

Depreciation on addition or on sale/discard of an asset is calculated pro-rata from/up to the date of such addition or sale/discard.

### 3.10 Intangible assets

Intangible Assets are recognised only if it is probable that the future economic benefits that are attributable to assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are recorded at cost and carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Intangible assets comprise of Computer software (which is not an integral part of the related hardware) and the trademarks, and are being amortised over the estimated useful life. The estimated useful lives of

Intangible assets are 5 years for Computer software and 3 years for trademark

### 3.11 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired and when circumstances indicate that the carrying value may be impaired. The Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

### Impairment losses are recognised in the statement of profit and loss

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 3.12 Retirement and other employee benefits

#### Short-term employee benefits:

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

#### Post employment benefits:

##### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes

specified monthly contributions towards employee provident fund to government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### Defined benefit plans

The Company provides for gratuity, a defined benefit plan covering eligible employees. Gratuity is covered under scheme administered by Kotak Mahindra Life Insurance Company Limited and the contributions made by the Company to the scheme are recognised in the Statement of Profit and Loss. The liability recognised in the Balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The calculation of the Company's obligation under the plan is performed annually by qualified independent actuary using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

### 3.13 Employee Stock Option Plan

Equity-settled share-based payments to employees are measured at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

The Company has created an Employee Stock Option Plan Trust (ESOP Trust) for providing share-based payment to its employees. The Company uses the trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Company allots shares to the ESOP Trust. The Company treats the ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares. Share options exercised during the reporting period are satisfied with treasury shares.

The consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

### 3.14 Provision, contingent liabilities and contingent assets

#### a. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### b. Contingent Liabilities

A disclosure for a contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

#### c. Contingent Assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

### 3.15 Investment property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured at cost, including transaction costs.

Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the statement of profit and loss in the same period.

### 3.16 Taxes

#### a. Current tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the tax regime inserted by the Taxation Laws (Amendment) Act, 2019 in the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

Current tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transactions either in OCI or directly in other equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which the applicable tax regulations are subject to interpretation and establishes provisions where applicable.

#### b. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

### 3.17 Earning per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after tax. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted

average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

For the purpose of calculating basic EPS, shares allotted to ESOP trust pursuant to the employee share based payment plan are not included in the shares outstanding as on the reporting date till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions. Till such time, the shares so allotted are considered as dilutive potential equity shares for the purpose of calculating diluted EPS.

### 3.18 Assets held for sale

Assets acquired by the Company under settlement with the borrowers or repossessed as per the powers conferred under SARFAESI Act are classified as Non Current Assets Held for Sale, as their carrying amount will be recovered principally through a sale transaction rather than through its use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, as estimated by the management. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell, but not in excess of any cumulative impairment loss previously recognised. These assets are not depreciated or amortised while they are classified as held for sale.

### 3.19 Significant accounting judgements, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires the management to make use of estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of standalone financial statements, and the reported amount of revenues and expenses during the reporting period. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are given below.

#### Fair value of financial instruments

Fair value of financial instruments is required to be estimated for financial reporting purposes. The Company applies appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses quoted prices and market-observable data to the extent it is available. When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted

prices in active markets, their fair value is measured using valuation techniques, based on the inputs to these models taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **Effective Interest Rate (EIR) method**

The Company recognizes interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given/taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

### **Impairment of financial assets – Expected Credit Loss**

The measurement of impairment loss allowance for financial asset measured at amortised cost requires use of statistical models, significant assumptions about future economic conditions and credit behavior

(e.g. likelihood of borrowers defaulting and resulting losses). In estimating the cash flows expected to be recovered from credit impaired loans, the Company makes judgements about the borrower's financial situation, current status of the project, net realisable value of securities/collateral etc. As these estimates are based on various assumptions, actual results may vary leading to changes to the impairment loss allowance. Further, judgement is also made in identifying the default and significant increase in credit risk (SICR) on financial assets as well as for homogeneous grouping of similar financial assets. Impairment assessment also takes into account the data from the loan portfolio, levels of arrears and an analysis of historical defaults.

### **Useful life of property, plant and equipment**

The Property, Plant and Equipment are depreciated on straight line method over their respective useful lives. Management estimates the useful lives of these assets as detailed in Note 3.9 above. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the financial position in future years.



(Amount in ₹ Lakhs, unless otherwise stated)

**4. CASH AND CASH EQUIVALENTS**

| Particulars                                                      | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|------------------------------------------------------------------|-------------------------|-------------------------|
| Cash in hand                                                     | 43.38                   | 29.43                   |
| Balances with banks                                              |                         |                         |
| - in current accounts                                            | 5,135.94                | 2,827.31                |
| - in fixed deposits (with original maturity of 3 months or less) | 1,200.79                | 2,551.97                |
| <b>Total Cash and Cash Equivalents</b>                           | <b>6,380.11</b>         | <b>5,408.71</b>         |

**5. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**

| Particulars                                                                           | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Fixed deposits with banks (with original maturity of more than 3 months) <sup>#</sup> | 1,627.18                | 893.95                  |
| Unpaid Dividend                                                                       | 43.50                   | 36.12                   |
| Bank Balances held for CSR                                                            | 0.25                    | 0.25                    |
| <b>Total Bank Balance other than Cash and Cash Equivalents</b>                        | <b>1,670.93</b>         | <b>930.32</b>           |

<sup>#</sup>Fixed deposits are held as margin money or security against borrowings.**6. LOANS**

| Particulars                                          | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>Loans measured at amortised cost <sup>#</sup></b> |                         |                         |
| <b>Term Loans:</b>                                   |                         |                         |
| SME                                                  | 38,244.75               | 40,573.83               |
| Wholesale                                            | 77,532.65               | 51,446.84               |
| <b>Total - Gross</b>                                 | <b>1,15,777.40</b>      | <b>92,020.67</b>        |
| <b>Less: Impairment loss allowance</b>               | <b>1,359.76</b>         | <b>1,095.61</b>         |
| <b>Total - Net</b>                                   | <b>1,14,417.64</b>      | <b>90,925.07</b>        |
| Secured by tangible assets <sup>##</sup>             | 1,15,714.50             | 91,150.66               |
| <b>Less: Impairment loss allowance</b>               | <b>1,359.01</b>         | <b>1,086.90</b>         |
| <b>Total (I) - Net</b>                               | <b>1,14,355.49</b>      | <b>90,063.75</b>        |
| Unsecured                                            | 62.90                   | 870.01                  |
| <b>Less: Impairment loss allowance</b>               | <b>0.75</b>             | <b>8.70</b>             |
| <b>Total (II) - Net</b>                              | <b>62.15</b>            | <b>861.31</b>           |
| <b>Total (I) and (II)</b>                            | <b>1,14,417.64</b>      | <b>90,925.07</b>        |
| <b>(I) Loans in India</b>                            |                         |                         |
| (i) Public Sector                                    | -                       | -                       |
| (ii) Others                                          | 1,15,777.40             | 92,020.67               |
| <b>Total (I) - Gross</b>                             | <b>1,15,777.40</b>      | <b>92,020.67</b>        |

(Amount in ₹ Lakhs, unless otherwise stated)

**6. LOANS** (Contd.)

| Particulars                            | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Less:</b> Impairment loss allowance | 1,359.76                | 1,095.61                |
| <b>Total (I) - Net</b>                 | <b>1,14,417.64</b>      | <b>90,925.07</b>        |
| <b>(II) Loans outside India</b>        | -                       | -                       |
| <b>Less:</b> Impairment loss allowance | -                       | -                       |
| <b>Total (II) - Net</b>                | -                       | -                       |
| <b>Total (I) and (II)</b>              | <b>1,14,417.64</b>      | <b>90,925.07</b>        |

# Loans having sanction amount upto ₹ 500 lacs are treated under SME portfolio and other loans are treated under Wholesale portfolio by the Company. Further, for Credit Risk Management of the above loans refer to Note 40.1 to 40.6.

## Secured by mortgage of immovable properties, refer Note 40.7.

**7. OTHER FINANCIAL ASSETS**

| Particulars                | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|----------------------------|-------------------------|-------------------------|
| Security Deposits          | 22.80                   | 19.15                   |
| Staff Advances             | 40.68                   | 26.62                   |
| Management Fees Receivable | 406.63                  | 201.10                  |
| Advances recoverable       | 19.43                   | 15.52                   |
| <b>Total</b>               | <b>489.54</b>           | <b>262.39</b>           |

**8. DEFERRED TAX****8.1 Deferred tax assets (net)**

| Particulars                                                                       | As at<br>1 April, 2024 | (Charge)/credit<br>to Statement of<br>Profit & Loss | (Charge)/<br>credit to Other<br>Comprehensive<br>Income | As at<br>31 March, 2025 |
|-----------------------------------------------------------------------------------|------------------------|-----------------------------------------------------|---------------------------------------------------------|-------------------------|
| <b>Tax Effect of items<br/>constituting deferred tax<br/>asset/(liabilities):</b> |                        |                                                     |                                                         |                         |
| Impact of EIR on Financial<br>Instruments                                         | 102.20                 | 0.20                                                | -                                                       | 102.40                  |
| Application of leases (Ind<br>AS 116)                                             | 10.16                  | (1.01)                                              | -                                                       | 9.15                    |
| Tax bases of Property, Plant<br>& Equipment                                       | (1.34)                 | (18.69)                                             | -                                                       | (20.03)                 |
| Other Allowances                                                                  | -                      | 8.27                                                | -                                                       | 8.27                    |
| Provision for gratuity                                                            | (5.71)                 | 16.81                                               | 0.38                                                    | 11.48                   |
| <b>Net Deferred Tax Asset/<br/>(Liability)</b>                                    | <b>105.31</b>          | <b>5.58</b>                                         | <b>0.38</b>                                             | <b>111.27</b>           |

(Amount in ₹ Lakhs, unless otherwise stated)

**8.2 Income tax recognised in Statement of profit and loss**

| Particulars                                           | 31 March, 2025  | 31 March, 2024  |
|-------------------------------------------------------|-----------------|-----------------|
| <b>Current Tax:</b>                                   |                 |                 |
| In respect of the current year                        | 2,484.43        | 2,179.35        |
| In respect of the prior year                          | -               | 29.79           |
|                                                       | <b>2,484.43</b> | <b>2,209.14</b> |
| <b>Deferred tax:</b>                                  |                 |                 |
| Current year origination and reversals                | (5.58)          | 14.26           |
| <b>Total Income tax recognised in Profit and Loss</b> | <b>2,478.85</b> | <b>2,223.39</b> |

**8.3 Income tax recognised in Other Comprehensive Income**

| Particulars                                                      | 31 March, 2025 | 31 March, 2024 |
|------------------------------------------------------------------|----------------|----------------|
| Remeasurement of defined benefits                                | (0.38)         | (2.33)         |
| <b>Total Income tax recognised in Other Comprehensive Income</b> | <b>(0.38)</b>  | <b>(2.33)</b>  |

**8.4 Reconciliation of estimated Income tax expense at tax rate to income tax expense reported in the Statement of profit and loss is as follows:**

| Particulars                         | 31 March, 2025  | 31 March, 2024  |
|-------------------------------------|-----------------|-----------------|
| <b>Profit before tax</b>            | <b>9,688.12</b> | <b>8,559.60</b> |
| Applicable Income tax rate          | 25.17%          | 25.17%          |
| Expected Income tax expenses        | 2,438.30        | 2,154.28        |
| In respect of the prior year        | -               | 29.79           |
| <b>Adjustments:</b>                 |                 |                 |
| Effect of ind-as adjustments        | (6.11)          | (7.13)          |
| Effect of expenses not deductible   | 57.70           | 10.30           |
| Others                              | (5.47)          | 21.90           |
| <b>Reported Income tax expenses</b> | <b>2,484.43</b> | <b>2,209.14</b> |
| Effective tax rate                  | 25.64%          | 25.81%          |

\* Company has opted the tax regime under Section 115BAA of the Income Tax Act, 1961.

**9. INVESTMENT PROPERTY**

| Particulars                                            | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| <b>Cost</b>                                            |                         |                         |
| <b>Opening</b>                                         | <b>14.86</b>            | <b>14.86</b>            |
| Additions                                              | 2.77                    | -                       |
| <b>Closing</b>                                         | <b>17.63</b>            | <b>14.86</b>            |
| <b>Accumulated amortization and impairment, if any</b> |                         |                         |
| <b>Opening</b>                                         | <b>1.73</b>             | <b>1.44</b>             |
| For the year                                           | 0.33                    | 0.29                    |
| <b>Closing</b>                                         | <b>2.06</b>             | <b>1.73</b>             |
| <b>Net block (Closing Value)</b>                       | <b>15.57</b>            | <b>13.14</b>            |

The Company's investment properties consist of residential property in India. Fair value of Investment property is more than the carrying amount as disclosed above, as estimated by the management.

(Amount in ₹ Lakhs, unless otherwise stated)

## 10. PROPERTY, PLANT AND EQUIPMENT

### (1) Current Reporting period

| Particulars             | Gross carrying amount  |                           |                            | Accumulated Depreciation |              |                            | Net carrying amount  |                        |
|-------------------------|------------------------|---------------------------|----------------------------|--------------------------|--------------|----------------------------|----------------------|------------------------|
|                         | As at<br>1 April, 2024 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>31 Mar 2025     | For the Year | Deductions/<br>Adjustments | As at<br>31 Mar 2025 | As at<br>31 March 2024 |
| Airconditioner          | 4.09                   | 3.14                      | -                          | 7.23                     | 0.68         | -                          | 3.47                 | 1.30                   |
| Building                | 220.19                 | -                         | -                          | 220.19                   | 3.49         | -                          | 10.60                | 213.08                 |
| Computer                | 99.55                  | 43.52                     | 0.55                       | 142.52                   | 32.80        | 0.52                       | 83.34                | 48.49                  |
| Server                  | -                      | 12.43                     | -                          | 12.43                    | 1.32         | -                          | 1.32                 | -                      |
| Electrical Installation | 28.39                  | -                         | -                          | 28.39                    | 2.70         | -                          | 15.80                | 15.29                  |
| Furniture and Fixtures  | 95.62                  | 3.36                      | -                          | 98.98                    | 9.29         | -                          | 43.12                | 61.79                  |
| Leasehold Improvement   | 30.84                  | 30.03                     | -                          | 60.87                    | 4.75         | -                          | 22.09                | 13.51                  |
| Mobile                  | 9.79                   | 2.58                      | -                          | 12.37                    | 1.50         | -                          | 5.72                 | 5.57                   |
| Vehicles                | 180.62                 | 35.68                     | -                          | 216.30                   | 26.61        | -                          | 40.69                | 166.54                 |
| Office Equipment        | 34.88                  | 9.60                      | 1.56                       | 42.92                    | 6.83         | 1.48                       | 18.76                | 21.47                  |
| Printer                 | 3.45                   | 0.27                      | -                          | 3.72                     | 0.38         | -                          | 2.67                 | 1.16                   |
| <b>Total</b>            | <b>707.42</b>          | <b>140.61</b>             | <b>2.11</b>                | <b>845.92</b>            | <b>90.35</b> | <b>2.00</b>                | <b>247.58</b>        | <b>548.18</b>          |

### (2) Previous Reporting period

| Particulars             | Gross carrying amount  |                           |                            | Accumulated Depreciation |              |                            | Net carrying amount  |                        |
|-------------------------|------------------------|---------------------------|----------------------------|--------------------------|--------------|----------------------------|----------------------|------------------------|
|                         | As at<br>1 April, 2023 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>31 Mar 2024     | For the Year | Deductions/<br>Adjustments | As at<br>31 Mar 2024 | As at<br>31 March 2023 |
| Airconditioner          | 3.50                   | 1.08                      | 0.49                       | 4.09                     | 0.44         | 0.47                       | 2.79                 | 0.68                   |
| Building                | 204.25                 | 15.94                     | -                          | 220.19                   | 3.41         | -                          | 7.11                 | 200.55                 |
| Computer                | 71.81                  | 34.83                     | 7.10                       | 99.55                    | 28.70        | 6.43                       | 51.06                | 43.02                  |
| Electrical Installation | 28.39                  | -                         | -                          | 28.39                    | 2.70         | -                          | 13.10                | 17.98                  |
| Furniture and Fixtures  | 90.41                  | 5.35                      | 0.14                       | 95.62                    | 8.99         | 0.08                       | 33.83                | 65.49                  |
| Leasehold Improvement   | 30.84                  | -                         | -                          | 30.84                    | 3.42         | -                          | 17.34                | 16.92                  |
| Mobile                  | 5.78                   | 4.01                      | -                          | 9.79                     | 0.97         | -                          | 4.22                 | 2.53                   |
| Vehicles                | 187.62                 | 24.83                     | 31.83                      | 180.62                   | 27.13        | 14.27                      | 14.08                | 186.40                 |
| Office Equipment        | 28.23                  | 6.68                      | 0.03                       | 34.88                    | 5.60         | 0.03                       | 13.41                | 20.39                  |
| Printer                 | 3.38                   | 0.07                      | -                          | 3.45                     | 0.39         | -                          | 2.29                 | 1.48                   |
| <b>Total</b>            | <b>654.22</b>          | <b>92.78</b>              | <b>39.59</b>               | <b>707.42</b>            | <b>81.73</b> | <b>21.27</b>               | <b>159.23</b>        | <b>555.45</b>          |



(Amount in ₹ Lakhs, unless otherwise stated)

**11. INTANGIBLE ASSETS UNDER DEVELOPMENT**

| Particulars                        | Computer Software under Development | Total        |
|------------------------------------|-------------------------------------|--------------|
| <b>Balance as at 1 April 2023</b>  | -                                   | -            |
| Additions                          | 43.91                               | 43.91        |
| Capitalised                        | (28.56)                             | (28.56)      |
| <b>Balance as at 31 March 2024</b> | <b>15.35</b>                        | <b>15.35</b> |
| Additions                          | 12.30                               | 12.30        |
| Capitalised                        | (19.18)                             | (19.18)      |
| <b>Balance as at 31 March 2025</b> | <b>8.47</b>                         | <b>8.47</b>  |
| <b>Carrying amount</b>             |                                     |              |
| As at 31 March 2024                |                                     | 15.35        |
| As at 31 March 2025                |                                     | 8.47         |

**Ageing for intangible assets under development**

| Intangible assets under development | As at         | Amount of Intangible assets under development for a period of |           |           |                   | Total |
|-------------------------------------|---------------|---------------------------------------------------------------|-----------|-----------|-------------------|-------|
|                                     |               | Less than 1 Year                                              | 1-2 Years | 2-3 Years | More than 3 Years |       |
| Projects in progress                | 31 March 2025 | 8.47                                                          | -         | -         | -                 | 8.47  |
|                                     | 31 March 2024 | 15.35                                                         | -         | -         | -                 | 15.35 |

**12. OTHER INTANGIBLE ASSETS****(1) Current Reporting period**

| Particulars              | As at<br>1 April, 2024 | Gross carrying amount  |                            | As at<br>31 March 2025 | As at<br>1 April 2024 | Accumulated Depreciation |                            | Net carrying amount  |                        |
|--------------------------|------------------------|------------------------|----------------------------|------------------------|-----------------------|--------------------------|----------------------------|----------------------|------------------------|
|                          |                        | As at<br>31 March 2025 | Deductions/<br>Adjustments |                        |                       | For the Year             | Deductions/<br>Adjustments | As at<br>31 Mar 2025 | As at<br>31 March 2024 |
| Company Logo             | 0.09                   | -                      | -                          | 0.09                   | 0.06                  | 0.03                     | -                          | 0.09                 | 0.03                   |
| Synofin Software         | 87.46                  | 15.81                  | -                          | 103.27                 | 17.37                 | 23.31                    | -                          | 40.68                | 62.59                  |
| Field officer Mobile app | -                      | 8.76                   | -                          | 8.76                   | -                     | 1.32                     | -                          | 1.32                 | 7.44                   |
| <b>Total</b>             | <b>87.55</b>           | <b>24.57</b>           | <b>-</b>                   | <b>112.12</b>          | <b>17.44</b>          | <b>24.66</b>             | <b>-</b>                   | <b>42.09</b>         | <b>70.11</b>           |

**(2) Previous Reporting period**

| Particulars     | Gross carrying amount  |                           |                            | Accumulated Depreciation |              | Net carrying amount  |                      |                        |
|-----------------|------------------------|---------------------------|----------------------------|--------------------------|--------------|----------------------|----------------------|------------------------|
|                 | As at<br>1 April, 2023 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>1 April 2023    | For the Year | As at<br>31 Mar 2024 | As at<br>31 Mar 2024 | As at<br>31 March 2023 |
| Company Logo    | 0.09                   | -                         | -                          | 0.03                     | 0.03         | 0.06                 | 0.03                 | 0.06                   |
| Synfin Software | 47.62                  | 39.84                     | -                          | 5.48                     | 11.90        | 17.37                | 70.08                | 42.14                  |
| <b>Total</b>    | <b>47.71</b>           | <b>39.84</b>              | <b>-</b>                   | <b>5.51</b>              | <b>11.93</b> | <b>17.44</b>         | <b>70.11</b>         | <b>42.20</b>           |

**13. LEASES****13.1 Nature of leased assets**

The Company's leasing arrangements are in respect of leases of premises for commercial use of the Company. The Company mainly enters into these lease arrangements with various parties for operating its branches across the country.

**13.2 Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:**

| Particulars                      | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|----------------------------------|-------------------------|-------------------------|
| <b>Opening Balance</b>           | <b>134.27</b>           | <b>141.95</b>           |
| Additions during the year        | 110.95                  | 53.87                   |
| Deductions during the year       | (6.12)                  | (17.75)                 |
| Depreciation charge for the year | (56.66)                 | (43.81)                 |
| <b>Closing Balance</b>           | <b>182.44</b>           | <b>134.27</b>           |

**13.3 Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:**

| Particulars                | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|----------------------------|-------------------------|-------------------------|
| <b>Opening balance</b>     | <b>171.27</b>           | <b>177.17</b>           |
| Additions during the year  | 108.78                  | 52.50                   |
| Deductions during the year | (7.75)                  | (18.51)                 |
| Accretion of Interest      | 24.87                   | 18.03                   |
| Payments during the year   | (78.38)                 | (57.91)                 |
| <b>Closing balance</b>     | <b>218.79</b>           | <b>171.27</b>           |
| <b>Current</b>             | <b>58.73</b>            | <b>47.39</b>            |
| <b>Non Current</b>         | <b>160.06</b>           | <b>123.88</b>           |

(Amount in ₹ Lakhs, unless otherwise stated)

(Amount in ₹ Lakhs, unless otherwise stated)

**13.4 Maturity Analysis:**

| Particulars               | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------|-------------------------|-------------------------|
| Less than 1 Year          | 78.24                   | 62.25                   |
| 1-3 Years                 | 108.68                  | 111.68                  |
| 3-5 Years                 | 37.56                   | 28.69                   |
| 5 Years and above         | 57.59                   | -                       |
| <b>Total</b>              | <b>282.07</b>           | <b>202.63</b>           |
| <b>Discounting Charge</b> | <b>63.28</b>            | <b>31.35</b>            |
| <b>Lease Liabilities</b>  | <b>218.79</b>           | <b>171.27</b>           |

**13.5 Amounts recognised in statement of profit and loss**

| Particulars                                                  | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|--------------------------------------------------------------|-------------------------|-------------------------|
| Interest on lease liabilities                                | 24.87                   | 18.03                   |
| Depreciation expense for right-of-use assets                 | 56.66                   | 43.81                   |
| Expenses relating to short-term leases                       | 64.04                   | 36.68                   |
| Derecognition of Lease Liability                             | (1.63)                  | (0.76)                  |
| <b>Net Income recognised in statement of profit and Loss</b> | <b>143.94</b>           | <b>97.75</b>            |

**13.6 Amounts recognised in the statement of cash flows**

| Particulars                                   | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|-----------------------------------------------|-------------------------|-------------------------|
| Payments during the year for long-term leases | (78.38)                 | (57.91)                 |
| Expenses relating to short-term leases        | (64.04)                 | (36.68)                 |
| <b>Total cash outflow for leases</b>          | <b>(142.42)</b>         | <b>(94.59)</b>          |

**14. OTHER NON FINANCIAL ASSETS**

| Particulars                       | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|-----------------------------------|-------------------------|-------------------------|
| Prepaid expenses                  | 58.02                   | 50.86                   |
| Advances to parties               | 37.99                   | 18.24                   |
| <b>Total Non Financial Assets</b> | <b>96.01</b>            | <b>69.10</b>            |

**15. ASSETS HELD FOR SALE**

| Particulars                       | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|-----------------------------------|-------------------------|-------------------------|
| Assets held for sale *            | 286.01                  | 51.25                   |
| <b>Total Assets held for sale</b> | <b>286.01</b>           | <b>51.25</b>            |

\* Refer to the accounting policy no. 3.18 on Assets held for sale.

**16. BORROWINGS (OTHER THAN DEBT SECURITIES)**

| Particulars                           | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| <b>Borrowings - At Amortised Cost</b> |                         |                         |
| <b>(a) Term loans</b>                 |                         |                         |
| (i) from banks                        |                         |                         |
| Secured *                             | 47,580.68               | 29,944.95               |

(Amount in ₹ Lakhs, unless otherwise stated)

**16. BORROWINGS (OTHER THAN DEBT SECURITIES)** (Contd.)

| Particulars                                    | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| (ii) from other parties                        |                         |                         |
| Secured *                                      | 19,475.32               | 14,708.61               |
| Unsecured *                                    | -                       | 4,250.00                |
| <b>(b) Loans repayable on demand (secured)</b> |                         |                         |
| (i) from banks                                 |                         |                         |
| Secured *                                      | 2,438.29                | 1,418.74                |
| <b>Total **</b>                                | <b>69,494.29</b>        | <b>50,322.30</b>        |
| Borrowings in India                            | 69,494.29               | 50,322.30               |
| Borrowings outside India                       | -                       | -                       |
| <b>Total</b>                                   | <b>69,494.29</b>        | <b>50,322.30</b>        |

\* Refer Notes 16.1 to 16.4, for details/disclosures of the Borrowings (other than debt securities)

\*\* Refer Note 41.1

**16.1 Security and terms of repayment for term loans from banks**

| S. No | Particulars                              | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Repayment terms    |             |            |           | Nature of security                                                                                                                                                                               |
|-------|------------------------------------------|----------------------------------------|----------------------------------------|--------------------|-------------|------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                                          |                                        |                                        | No of Installments | Periodicity | Start date | End date  |                                                                                                                                                                                                  |
| 1     | State Bank Of India                      | 1,902.43                               | 3,050.48                               | 66                 | Monthly     | 28-Jun-21  | 25-Dec-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director & Smt Ridhima Gupta (limited to the value of property mortgaged) and corporate guarantee of the group Company. |
| 2     | Au Small Finance Bank Ltd                | -                                      | 168.25                                 | 36                 | Monthly     | 31-Aug-21  | 3-Aug-24  | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company.                                                                  |
| 3     | Au Small Finance Bank Ltd                | 28.05                                  | 364.72                                 | 36                 | Monthly     | 17-Mar-22  | 3-Apr-25  |                                                                                                                                                                                                  |
| 4     | Hdfc Bank Limited                        | -                                      | -                                      | 24                 | Monthly     | 1-Apr-22   | 30-Mar-24 |                                                                                                                                                                                                  |
| 5     | Hdfc Bank Car Loan                       | 3.16                                   | 6.36                                   | 58                 | Monthly     | 7-May-21   | 7-Feb-26  | Hypothecation of Car                                                                                                                                                                             |
| 6     | Icici Car Loan-Tata Tiago Xz+(Cng)-33992 | 6.13                                   | 7.43                                   | 60                 | Monthly     | 4-Oct-21   | 4-Sep-26  |                                                                                                                                                                                                  |
| 7     | Au Small Finance Bank Ltd                | 334.33                                 | 835.77                                 | 36                 | Monthly     | 19-Oct-22  | 3-Oct-25  | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company.                                                                  |
| 8     | Federal Bank                             | -                                      | 247.34                                 | 24                 | Monthly     | 8-Jun-22   | 8-Jun-24  |                                                                                                                                                                                                  |
| 9     | Fincare Small Finance Bank               | -                                      | 292.37                                 | 18                 | Monthly     | 15-Feb-23  | 15-Aug-24 |                                                                                                                                                                                                  |
| 10    | Hdfc Bank Limited                        | -                                      | 505.04                                 | 24                 | Monthly     | 28-Mar-23  | 31-Mar-25 |                                                                                                                                                                                                  |
| 11    | Icici Bank Ltd                           | -                                      | 162.02                                 | 24                 | Monthly     | 22-Jul-22  | 22-Jul-24 |                                                                                                                                                                                                  |
| 12    | Indian Bank Term Loan                    | 861.28                                 | 1,285.71                               | 60                 | Monthly     | 31-Jul-22  | 31-Jul-27 |                                                                                                                                                                                                  |
| 13    | Utkarsh Small Finance Bank               | 444.29                                 | 925.68                                 | 37                 | Monthly     | 28-Jan-23  | 28-Mar-26 |                                                                                                                                                                                                  |
| 14    | Icici Bank Ltd Car Loan-Creta            | 9.37                                   | 12.87                                  | 60                 | Monthly     | 1-Aug-22   | 1-Jul-27  | Hypothecation of Car                                                                                                                                                                             |
| 15    | Axis Bank Car Loan Car Loan              | 53.58                                  | 72.41                                  | 60                 | Monthly     | 10-Oct-22  | 10-Sep-27 |                                                                                                                                                                                                  |



(Amount in ₹ Lakhs, unless otherwise stated)

**16.1 Security and terms of repayment for term loans from banks** (Contd.)

| S. No | Particulars                                | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Repayment terms    |             |            |           | Nature of security                                                                                                                                 |
|-------|--------------------------------------------|----------------------------------------|----------------------------------------|--------------------|-------------|------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                                            |                                        |                                        | No of Installments | Periodicity | Start date | End date  |                                                                                                                                                    |
| 16    | Icici Bank Car Loan Xuv-300                | 11.31                                  | 14.17                                  | 60                 | Monthly     | 5-Aug-23   | 5-Jun-28  | Hypothecation of car                                                                                                                               |
| 17    | Au Small Finance Bank Ltd                  | 419.36                                 | 753.77                                 | 36                 | Monthly     | 26-May-23  | 29-May-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company.                    |
| 18    | Bandhan Bank Ltd                           | 142.57                                 | 455.19                                 | 24                 | Monthly     | 30-Sep-23  | 29-Sep-25 |                                                                                                                                                    |
| 19    | Bandhan Bank Ltd                           | 133.29                                 | 383.54                                 | 24                 | Monthly     | 1-Nov-23   | 2-Nov-25  |                                                                                                                                                    |
| 20    | Bandhan Bank Ltd                           | 190.19                                 | 503.25                                 | 24                 | Monthly     | 3-Nov-23   | 4-Nov-25  |                                                                                                                                                    |
| 21    | Federal Bank                               | 495.91                                 | 1,487.71                               | 24                 | Monthly     | 14-Sep-23  | 14-Sep-25 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company.                    |
| 22    | Federal Bank                               | 372.05                                 | 733.65                                 | 24                 | Monthly     | 21-Mar-24  | 21-Mar-26 |                                                                                                                                                    |
| 23    | Federal Bank                               | 396.32                                 |                                        | 24                 | Monthly     | 16-Apr-24  | 16-Apr-26 |                                                                                                                                                    |
| 24    | Fincare Small Finance Bank                 | 479.25                                 | 998.23                                 | 24                 | Monthly     | 30-Jan-24  | 31-Jan-26 |                                                                                                                                                    |
| 25    | Hdfc Bank Limited                          | 99.28                                  | 403.74                                 | 24                 | Monthly     | 30-Jun-23  | 30-Jun-25 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company.                    |
| 26    | Hdfc Bank Limited                          | 156.70                                 | 470.15                                 | 24                 | Monthly     | 31-Oct-23  | 30-Oct-25 |                                                                                                                                                    |
| 27    | Hdfc Bank Limited                          | 252.43                                 | 499.59                                 | 24                 | Monthly     | 15-Mar-24  | 15-Mar-26 |                                                                                                                                                    |
| 28    | Icici Bank Ltd.                            | 25.00                                  | 75.00                                  | 24                 | Monthly     | 30-Sep-23  | 30-Sep-25 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company and cash collateral |
| 29    | Icici Bank Ltd.                            | 108.57                                 | 326.24                                 | 24                 | Monthly     | 31-Oct-23  | 31-Oct-25 |                                                                                                                                                    |
| 30    | Indusind Bank                              | -                                      | 602.85                                 | 18                 | Monthly     | 31-Aug-23  | 28-Feb-25 |                                                                                                                                                    |
| 31    | Indusind Bank                              | -                                      | 904.02                                 | 18                 | Monthly     | 6-Sep-23   | 28-Feb-25 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company and cash collateral |
| 32    | Small Industries Development Bank Of India | 533.95                                 | 876.08                                 | 36                 | Monthly     | 28-Sep-23  | 10-Sep-26 |                                                                                                                                                    |
| 33    | Small Industries Development Bank Of India | 885.31                                 | 1,410.76                               | 36                 | Monthly     | 22-Nov-23  | 10-Nov-26 |                                                                                                                                                    |
| 34    | State Bank Of India                        | 6,906.13                               | 4,553.74                               | 39                 | Monthly     | 27-Sep-23  | 1-Dec-26  | Exclusive charge on specific receivables, personal guarantee of Managing Director, corporate guarantee of the group Company and cash collateral    |
| 35    | Utkarsh Small Finance Bank                 | 695.44                                 | 1,252.85                               | 30                 | Monthly     | 28-Dec-23  | 25-Jun-26 | Exclusive charge on specific receivables and personal guarantee of Managing Director                                                               |
| 36    | Union Bank Of India                        | 1,357.97                               | 1,855.18                               | 48                 | Monthly     | 28-Dec-23  | 31-Dec-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                  |
| 37    | Dcb Bank Limited                           | 884.59                                 | 1,475.91                               | 30                 | Monthly     | 31-Mar-24  | 30-Oct-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                  |
| 38    | Indian Overseas Bank                       | 1,906.98                               | 1,972.87                               | 78                 | Monthly     | 30-Mar-24  | 30-Sep-30 | Exclusive charge on specific receivables, personal guarantee of Managing Director and cash collateral                                              |

(Amount in ₹ Lakhs, unless otherwise stated)

**16.1 Security and terms of repayment for term loans from banks** (Contd.)

| S. No | Particulars                 | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Repayment terms    |             |            |           | Nature of security                                                                                                                                                                               |
|-------|-----------------------------|----------------------------------------|----------------------------------------|--------------------|-------------|------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                             |                                        |                                        | No of Installments | Periodicity | Start date | End date  |                                                                                                                                                                                                  |
| 39    | State Bank Of India         | 2,768.01                               | -                                      | 48                 | Monthly     | 22-Nov-24  | 31-Dec-28 | Exclusive charge on specific receivables, personal guarantee of Managing Director & Smt Ridhima Gupta (limited to the value of property mortgaged) and corporate guarantee of the group Company. |
| 40    | Au Small Finance Bank Ltd   | 1,886.46                               | -                                      | 36                 | Monthly     | 25-Nov-24  | 18-Jan-28 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 41    | Au Small Finance Bank Ltd   | 1,561.05                               | -                                      | 36                 | Monthly     | 13-Jun-24  | 3-Jul-27  | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 42    | Hdfc Bank Limited           | 235.42                                 | -                                      | 24                 | Monthly     | 3-May-24   | 2-May-26  | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company.                                                                  |
| 43    | Federal Bank                | 1,752.61                               | -                                      | 18                 | Monthly     | 29-Oct-24  | 29-Apr-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director corporate guarantee of the group Company.                                                                      |
| 44    | Icici Bank Ltd.             | 440.81                                 | -                                      | 24                 | Monthly     | 30-Sep-24  | 30-Oct-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 45    | Utkarsh Small Finance Bank  | 1,342.51                               | -                                      | 30                 | Monthly     | 30-Dec-24  | 26-Jun-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 46    | Bandhan Bank Ltd            | 1,323.65                               | -                                      | 36                 | Monthly     | 29-Jan-00  | 29-Mar-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 47    | Esaf Small Finance Bank     | 2,353.09                               | -                                      | 36                 | Monthly     | 30-Nov-24  | 31-Oct-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 48    | The South Indian Bank       | 1,032.89                               | -                                      | 30                 | Monthly     | 18-Jun-24  | 18-Dec-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 49    | The South Indian Bank       | 1,484.37                               | -                                      | 30                 | Monthly     | 29-Mar-25  | 29-Sep-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 50    | Kotak Mahindra Bank Limited | 2,618.57                               | -                                      | 36                 | Monthly     | 25-Jun-24  | 25-Jun-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |
| 51    | Canara Bank                 | 1,762.97                               | -                                      | 60                 | Monthly     | 26-Jun-24  | 26-May-29 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                                                                                                |

(Amount in ₹ Lakhs, unless otherwise stated)

**16.1 Security and terms of repayment for term loans from banks (Contd.)**

| S. No        | Particulars                                       | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Repayment terms    |             |            |           | Nature of security                                                                |
|--------------|---------------------------------------------------|----------------------------------------|----------------------------------------|--------------------|-------------|------------|-----------|-----------------------------------------------------------------------------------|
|              |                                                   |                                        |                                        | No of Installments | Periodicity | Start date | End date  |                                                                                   |
| 52           | Bank Of Maharashtra                               | 1,647.33                               | -                                      | 60                 | Quarterly   | 21-Jun-24  | 30-Mar-29 | Exclusive charge on specific receivables, personal guarantee of Managing Director |
| 53           | Capital Small Finance Bank                        | 1,318.52                               | -                                      | 36                 | Monthly     | 21-Sep-24  | 1-Sep-27  | Exclusive charge on specific receivables, personal guarantee of Managing Director |
| 54           | Ujjivan Small Finance Bank Ltd                    | 1,236.57                               | -                                      | 36                 | Monthly     | 20-Sep-24  | 30-Sep-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director |
| 55           | Jana Small Finance Bank                           | 2,690.89                               | -                                      | 30                 | Monthly     | 26-Nov-24  | 3-Jun-27  | Exclusive charge on specific receivables, personal guarantee of Managing Director |
| 56           | The South Indian Bank Ltd-Innova Hycross Car Loan | 29.74                                  | -                                      | 30                 | Monthly     | 29-Mar-25  | 29-Sep-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director |
| <b>Total</b> |                                                   | <b>47,580.68</b>                       | <b>29,944.95</b>                       |                    |             |            |           |                                                                                   |

**16.2 Security and terms of repayment for term loans from other parties (secured)**

| S. No | Particulars                                      | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Repayment terms    |             |            |           | Nature of security                                                                                                              |
|-------|--------------------------------------------------|----------------------------------------|----------------------------------------|--------------------|-------------|------------|-----------|---------------------------------------------------------------------------------------------------------------------------------|
|       |                                                  |                                        |                                        | No of Installments | Periodicity | Start date | End date  |                                                                                                                                 |
| 1     | Tata Capital Financial Services                  |                                        | 152.71                                 | 36                 | Monthly     | 05-Mar-22  | 05-Feb-25 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company. |
| 2     | Kotak Mahindra Investment Limited                | 2,644.92                               | 4,702.28                               | 48                 | Monthly     | 23-Aug-22  | 23-Aug-26 |                                                                                                                                 |
| 3     | Cholamandalam Investment and Finance Company LTD | 255.71                                 | 556.76                                 | 36                 | Monthly     | 01-Nov-22  | 23-Sep-25 |                                                                                                                                 |
| 4     | MUTHOOT CAPITAL SERVICES LTD- TERM LOAN          | -                                      | 497.04                                 | 24                 | Monthly     | 31-Mar-23  | 31-Mar-25 |                                                                                                                                 |
| 5     | STCI FINANCE LIMITED- TERM LOAN                  | 1,004.96                               | 1,500.65                               | 48                 | Monthly     | 17-Mar-23  | 25-Mar-27 |                                                                                                                                 |
| 6     | Tata Capital Financial Services                  | 305.05                                 | 637.15                                 | 36                 | Monthly     | 29-Jan-23  | 28-Feb-26 |                                                                                                                                 |
| 7     | Tourism Finance Corporation Of India-Term        | 1,168.44                               | 1,837.97                               | 36                 | Quarterly   | 15-Oct-23  | 15-Oct-26 | Exclusive charge on specific receivables and personal guarantee of Managing Director                                            |
| 8     | Tourism Finance Corporation Of India-Term        | 738.78                                 | 1,003.15                               | 45                 | Monthly     | 30-Dec-23  | 15-Feb-26 |                                                                                                                                 |
| 9     | Tourism Finance Corporation Of India-Term        | 781.95                                 | -                                      | 45                 | Monthly     | 28-Jun-24  | 15-Jun-28 |                                                                                                                                 |

(Amount in ₹ Lakhs, unless otherwise stated)

**16.2 Security and terms of repayment for term loans from other parties (secured)**

| S. No        | Particulars                                  | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Repayment terms    |                  |            |           | Nature of security                                                                                                              |
|--------------|----------------------------------------------|----------------------------------------|----------------------------------------|--------------------|------------------|------------|-----------|---------------------------------------------------------------------------------------------------------------------------------|
|              |                                              |                                        |                                        | No of Installments | Periodicity      | Start date | End date  |                                                                                                                                 |
| 10           | ORIX Leasing & Financial Services India Ltd. | 405.00                                 | 686.37                                 | 30                 | Monthly          | 06-Nov-23  | 05-Jun-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company. |
| 11           | Poonawalla Fincorp Ltd                       | 1,420.64                               | 2,189.70                               | 36                 | Monthly          | 29-Sep-23  | 05-Oct-26 |                                                                                                                                 |
| 12           | Poonawalla Fincorp Ltd                       | 1,422.72                               | -                                      | 36                 | Monthly          | 05-Jan-25  | 05-Jan-28 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                               |
| 13           | STCI FINANCE LIMITED- TERM LOAN              | 713.70                                 | 944.82                                 | 48                 | Monthly          | 26-Mar-24  | 26-Mar-28 | Exclusive charge on specific receivables and personal guarantee of Managing Director                                            |
| 14           | Tata Capital Limited                         | 899.91                                 | -                                      | 36                 | Monthly          | 29-Apr-24  | 05-May-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                               |
| 15           | BAJAJ FINANCE LTD                            | 795.76                                 | -                                      | 18                 | Monthly          | 16-Nov-24  | 16-Mar-26 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                               |
| 16           | AMBIT FINSERVE                               | 1,417.87                               | -                                      | 30                 | Monthly          | 12-Dec-24  | 05-Jul-27 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                               |
| 17           | Arka Fincap Limited                          | 990.20                                 | -                                      | 36                 | Monthly          | 31-Mar-25  | 31-Mar-28 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                               |
| 18           | SG FINSERVE LIMITED-TL                       | 4,509.71                               | -                                      | 6                  | Bullet Repayment | 20-Feb-25  | 20-Aug-25 | Exclusive charge on specific receivables, personal guarantee of Managing Director                                               |
| <b>Total</b> |                                              | <b>19,475.32</b>                       | <b>14,708.61</b>                       |                    |                  |            |           |                                                                                                                                 |

**16.3 Loans repayable on demand (secured)**

| S. No        | Particulars                                               | Amount outstanding as on 31 March 2025 | Amount outstanding as on 31 March 2024 | Nature of security                                                                                                             |
|--------------|-----------------------------------------------------------|----------------------------------------|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 1            | Cash Credit From Au Small Finance Bank                    | 668.10                                 | 214.49                                 | Exclusive charge on specific receivables, personal guarantee of Managing Director and corporate guarantee of the group Company |
| 2            | Cash Credit From HDFC bank Ltd                            | 810.74                                 | 510.16                                 |                                                                                                                                |
| 3            | Drop line Overdraft Facility from Kotak Mahindra Bank Ltd | 137.01                                 | 124.32                                 |                                                                                                                                |
| 4            | Drop line Overdraft Facility from Kotak Mahindra Bank Ltd | 387.74                                 | 188.27                                 |                                                                                                                                |
| 5            | Indian Bank                                               | 434.70                                 | 72.11                                  |                                                                                                                                |
| 6            | Federal Bank Limited                                      | -                                      | 309.39                                 |                                                                                                                                |
| <b>Total</b> |                                                           | <b>2,438.29</b>                        | <b>1,418.74</b>                        |                                                                                                                                |

**16.4** Unsecured loan of ₹ Nil (March 31, 2024: ₹ 4250 lakhs) has been taken for short term purpose and is repayable after a moratorium of twelve months.



(Amount in ₹ Lakhs, unless otherwise stated)

**17. OTHER FINANCIAL LIABILITIES**

| Particulars                                | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| Unpaid Dividend                            | 43.50                   | 36.12                   |
| Salary Payable                             | 4.25                    | 6.70                    |
| Expenses Payable                           | 263.13                  | 143.84                  |
| Other financial liabilities                | 25.73                   | 16.20                   |
| Payable towards recovery of assigned loans | 48.92                   | 134.38                  |
| Insurance Premium payable                  | 26.46                   | 64.18                   |
| Advance received from Borrowers            | 43.64                   | 21.90                   |
| <b>Total Other Financial Liabilities</b>   | <b>455.63</b>           | <b>423.32</b>           |

**18(A) CURRENT TAX LIABILITIES (NET)**

| Particulars                                       | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------------------|-------------------------|-------------------------|
| Income tax payable (net of advance tax & TDS/TCS) | -                       | 7.40                    |
| <b>Total Current Tax Liabilities (net)</b>        | <b>-</b>                | <b>7.40</b>             |

**18(B) CURRENT TAX ASSETS (NET)**

| Particulars                                | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| Advance Income Tax/TDS (net of provisions) | 181.05                  | -                       |
| <b>Total Current Tax Assets (net)</b>      | <b>181.05</b>           | <b>-</b>                |

**19. PROVISIONS**

| Particulars                                | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>Provision towards CSR:</b>              |                         |                         |
| <b>Opening balance</b>                     | <b>-</b>                | <b>28.68</b>            |
| Provision made during the year             | 127.92                  | 97.10                   |
| Utilised during the year                   | (127.92)                | (125.78)                |
| <b>Closing balance</b>                     | <b>-</b>                | <b>-</b>                |
| Provision for Employee Benefits - Gratuity | 44.08                   | 31.95                   |
| <b>Total Provisions</b>                    | <b>44.08</b>            | <b>31.95</b>            |

**20. OTHER NON-FINANCIAL LIABILITIES**

| Particulars                                  | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|----------------------------------------------|-------------------------|-------------------------|
| Statutory due payable                        | 112.48                  | 76.32                   |
| Other Liabilities                            | 17.47                   | 17.93                   |
| <b>Total other Non-Financial liabilities</b> | <b>129.95</b>           | <b>94.25</b>            |

(Amount in ₹ Lakhs, unless otherwise stated)

**21. EQUITY SHARE CAPITAL**

| Particulars                                                                           | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Authorized Share Capital</b>                                                       |                         |                         |
| At the beginning of the year                                                          | 2,300.00                | 2,300.00                |
| <b>Closing at the end of the year #</b>                                               | <b>2,300.00</b>         | <b>2,300.00</b>         |
| # 2,30,00,000 (31 March, 2024: 230,00,000) Equity Shares of ₹ 10/- each               |                         |                         |
| <b>Issued, subscribed and paid up</b>                                                 |                         |                         |
| At the beginning of the year                                                          | 2,278.26                | 2,073.26                |
| <b>Add:</b> Shares issued during the year                                             | -                       | 205.00                  |
| <b>Total*</b>                                                                         | <b>2,278.26</b>         | <b>2,278.26</b>         |
| <b>Less:</b> Treasury shares (held with trust)                                        | (32.71)                 | (34.65)                 |
| <b>Closing at the end of the year*</b>                                                | <b>2,245.55</b>         | <b>2,243.62</b>         |
| *2,27,82,621 (31 March, 2024: 2,27,82,621) Equity Shares of ₹ 10/- each fully paid up |                         |                         |

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

| Particulars                                     | As at 31 March, 2025 |                 | As at 31 March, 2024 |                 |
|-------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                 | Number of shares     | Amount          | Number of shares     | Amount          |
| <b>Outstanding at the beginning of the year</b> | <b>2,27,82,621</b>   | <b>2,278.26</b> | <b>2,07,32,621</b>   | <b>2,073.26</b> |
| <b>Add:</b> Issued during the year              |                      |                 |                      |                 |
| - Share issued under Share warrants             |                      |                 | 3,50,000             | 35.00           |
| - Share issued under Preferential Allotment     |                      |                 | 17,00,000            | 170.00          |
|                                                 | <b>2,27,82,621</b>   | <b>2,278.26</b> | <b>2,27,82,621</b>   | <b>2,278.26</b> |
| <b>Less:</b> Treasury shares (held with trust)  | (3,27,075)           | (32.71)         | (3,46,450)           | (34.65)         |
| <b>Outstanding at the end of the year</b>       | <b>2,24,55,546</b>   | <b>2,245.55</b> | <b>2,24,36,171</b>   | <b>2,243.62</b> |

**(b) During the financial year 2021-22 the Company had allotted the following shares:**

- 1,23,38,414 equity shares of ₹ 10/- each, fully paid up, as bonus shares in the ratio of 1:2.
- 18,25,000 equity shares of face value ₹ 10/- each fully paid up on preferential basis.

**(c)** During the financial year 2023-24 the Company had converted 350,000 share warrants into 3,50,000 equity shares of ₹ 10/- each fully paid up.

**(d) Terms/rights attached to equity shares**

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each Shareholder is eligible for one vote per share held. The shares entitle the holder to participate in dividends and in the event of liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

(Amount in ₹ Lakhs, unless otherwise stated)

**(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| Name of the shareholder     | As at 31 March, 2025 |                           | As at 31 March, 2024 |                           |
|-----------------------------|----------------------|---------------------------|----------------------|---------------------------|
|                             | Number of shares     | % of holding in the class | Number of shares     | % of holding in the class |
| CSL Capital Private Limited | 66,49,427            | 29.19%                    | 66,37,490            | 29.13%                    |
| Rohit Gupta                 | 37,74,608            | 16.57%                    | 37,74,608            | 16.57%                    |
| Kitara PIIN 1103            | -                    | -                         | 17,00,000            | 7.46%                     |

**(f) Details of shares held by promoter and promoter group**

| Shares held by the promoter at the end of the year |              |                   | % of change during the year |
|----------------------------------------------------|--------------|-------------------|-----------------------------|
| Promoter Name                                      | No of shares | % of total shares |                             |
| CSL Capital Private Limited                        | 66,49,427    | 29.19%            | 0.18%                       |
| Rohit Gupta                                        | 37,74,608    | 16.57%            | 0.00%                       |
| Rohit Gupta HUF                                    | 2,79,995     | 1.23%             | 6.11%                       |
| Ridhima Gupta                                      | 73,131       | 0.32%             | 0.00%                       |
| Lt. Sat Paul Gupta                                 | -            | 0.00%             | (100%)                      |
| Rachita Gupta                                      | 58,503       | 0.26%             | 0.00%                       |

**(g)** During the period of five years immediately preceding the current year, other than 1,23,38,414 equity shares issued as Bonus Shares during the financial year 2021-22, no other shares have been issued as bonus shares or for consideration other than cash.

**(h)** No class of shares have been bought back by the Company during the period of five years immediately preceding the current year.

**22. OTHER EQUITY****(a) Reserves And Surplus****(i) Capital Reserve**

| Particulars                  | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|------------------------------|-------------------------|-------------------------|
| Opening balance              | 206.49                  | 206.49                  |
| <b>Closing balance - (i)</b> | <b>206.49</b>           | <b>206.49</b>           |

**(ii) Securities Premium**

| Particulars                                         | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|-----------------------------------------------------|-------------------------|-------------------------|
| <b>Opening balance</b>                              | <b>12,735.72</b>        | <b>7,313.68</b>         |
| <b>Add:</b> Issue of Share (Preferential Allotment) | -                       | 4,692.00                |
| <b>Add:</b> Issue of Share against warrants         | -                       | 525.00                  |
| <b>Add:</b> Share Option exercised                  | 23.64                   | 205.04                  |
| <b>Closing balance - (ii)</b>                       | <b>12,759.36</b>        | <b>12,735.72</b>        |

Securities premium is used to record the premium on issue of shares. This reserve can be utilised only for limited purposes such as issuance of bonus shares and debenture issue expenses in accordance with the provisions of the Companies Act, 2013.

(Amount in ₹ Lakhs, unless otherwise stated)

**(b) Other Reserves****(1) Capital Redemption Reserve**

| Particulars            | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|------------------------|-------------------------|-------------------------|
| Opening balance        | 62.16                   | 62.16                   |
| <b>Closing balance</b> | <b>62.16</b>            | <b>62.16</b>            |

Capital redemption reserve is the requirement under Section 69 of the Companies Act, 2013, which has been created in the event of buy back of shares. This reserve is exclusively used for issuing fully paid bonus shares to the members of the Company.

**(2) Debenture Redemption Reserve**

| Particulars                                 | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------------|-------------------------|-------------------------|
| Opening balance                             | -                       | 4,000.00                |
| <b>Less:</b> Transferred to General Reserve | -                       | (4,000.00)              |
| <b>Closing balance</b>                      | <b>-</b>                | <b>-</b>                |

Debenture Redemption Reserve has been created to ensure the repayment/redemption of the Secured Non-Convertible Debentures (NCDs) of ₹ 4,000 lacs issued by the Company during 2020-21. The said reserve has since been fully utilised/transferred to General Reserve on 21 April, 2023, at the time of redemption of the NCDs.

**(3) Share Options Outstanding Account**

| Particulars                               | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|-------------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year      | 83.87                   | 114.64                  |
| <b>Add:</b> Employee share option expense | 30.13                   | 21.07                   |
| <b>Less:</b> Exercise of share options    | (4.17)                  | (39.89)                 |
| <b>Less:</b> Reversal on shares lapsed    | (8.13)                  | (11.96)                 |
| <b>Closing balance</b>                    | <b>101.70</b>           | <b>83.87</b>            |

Share options outstanding account recognizes the fair value of options as at the grant date spread over the vesting period. (Refer Note no.35)

**(4) Statutory reserve fund under Section 45 IC of the Reserve Bank of India Act, 1934**

| Particulars                          | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| Opening balance                      | 6,445.09                | 5,179.23                |
| <b>Add:</b> Addition during the year | 1,441.85                | 1,265.86                |
| <b>Closing balance</b>               | <b>7,886.94</b>         | <b>6,445.09</b>         |

Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act). Under Section 45-IC, the Company is required to transfer a sum not less than twenty percent of its net profit every year to the said fund. The statutory reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.



(Amount in ₹ Lakhs, unless otherwise stated)

**(5) General reserve**

| Particulars                                                                                                                                  | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening balance                                                                                                                              | 4,004.00                | 4.00                    |
| <b>Add:</b> Transferred from Debenture Redemption reserve                                                                                    | -                       | 4,000.00                |
| <b>Closing balance</b>                                                                                                                       | <b>4,004.00</b>         | <b>4,004.00</b>         |
| It is the reserve which is created out of retained earnings. It is a free reserve and is created without any specific or particular purpose. |                         |                         |
| <b>Total Other Reserves - (iii)</b>                                                                                                          | <b>12,054.80</b>        | <b>10,595.12</b>        |

**(c) Retained Earnings**

| Particulars                                             | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Opening balance                                         | 21,701.77               | 17,207.92               |
| <b>Add:</b> Net profit for the year                     | 7,209.27                | 6,336.21                |
| <b>Add:</b> Other Comprehensive (Loss) for the year     | (1.15)                  | (6.93)                  |
| <b>Less:</b> Transfer to statutory reserve              | (1,441.85)              | (1,265.86)              |
| <b>Less:</b> Dividend                                   | (569.57)                | (569.57)                |
| <b>Closing balance - (iv)</b>                           | <b>26,898.47</b>        | <b>21,701.77</b>        |
| <b>Total Reserves &amp; Surplus - (i) to (iv) - (A)</b> | <b>51,919.12</b>        | <b>45,239.09</b>        |

**(d) Money Received Against Share Warrants**

| Particulars                                   | As at<br>31 March, 2025 | As at<br>31 March, 2024 |
|-----------------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year          | -                       | 140.00                  |
| <b>Add:</b> Amount received during the year # | -                       | (140.00)                |
| <b>Closing balance - (B)</b>                  | <b>-</b>                | <b>-</b>                |
| <b>Total Other Equity - (A +B)</b>            | <b>51,919.12</b>        | <b>45,239.09</b>        |

# During 2021-22 the Company has allotted 3,50,000 warrants at a price of ₹ 160/-per warrant with a right to warrant holders to apply for and be allotted one equity share of the face value of ₹ 10/- each within a period of 18 months from the date of the issue of the warrants after paying the balance amount.

During the previous financial year the share warrant holders have already paid full amount and 350000 equity shares have been issued against the share warrants.

**23. INTEREST INCOME**

| Particulars                                           | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|-------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>On Financial Assets measured at Amortised Cost</b> |                                      |                                      |
| Interest on loans                                     | 19,807.90                            | 15,276.52                            |
| - Loans and advances to customers                     | 18,001.61                            | 13,768.92                            |
| - Processing Fees                                     | 1,712.87                             | 1,366.16                             |
| - Login Fees                                          | 82.78                                | 101.07                               |
| - Sub-vention Fee                                     | 10.64                                | 40.37                                |
| Interest on Deposits with banks                       | 101.72                               | 58.22                                |
| Other Interest Income                                 | 1.08                                 | 0.82                                 |
| <b>Total</b>                                          | <b>19,910.70</b>                     | <b>15,335.56</b>                     |

(Amount in ₹ Lakhs, unless otherwise stated)

**24. FEES AND COMMISSION INCOME**

| Particulars                    | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Advisory fees                  | 561.83                               | 557.96                               |
| Legal & Technical Fee/Recovery | 153.60                               | 134.53                               |
| Foreclosure Fee                | 425.94                               | 257.84                               |
| Other Fee/Commission           | 39.12                                | 45.17                                |
| <b>Total</b>                   | <b>1,180.49</b>                      | <b>995.50</b>                        |

**25. RECOVERIES OF FINANCIAL ASSETS WRITTEN OFF**

| Particulars        | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|--------------------|--------------------------------------|--------------------------------------|
| Bad Debt Recovered | 414.89                               | 233.81                               |
| <b>Total</b>       | <b>414.89</b>                        | <b>233.81</b>                        |

**26. OTHER INCOME**

| Particulars                                | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|--------------------------------------------|--------------------------------------|--------------------------------------|
| Net gain on disposal of Liquid fund        | 43.19                                | 23.73                                |
| Reversal of Liability on lease termination | 1.63                                 | 0.76                                 |
| Gain on derecognition of Security Deposits | 0.16                                 | 0.38                                 |
| Profit/(loss) on sale/disposal of assets   | 0.08                                 | 0.29                                 |
| Miscellaneous Income                       | 53.17                                | 68.45                                |
| <b>Total</b>                               | <b>98.23</b>                         | <b>93.62</b>                         |

**27. FINANCE COSTS**

| Particulars                                                | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>On Financial liabilities measured at Amortised Cost</b> |                                      |                                      |
| Interest on borrowings                                     |                                      |                                      |
| On debt securities                                         | -                                    | 22.33                                |
| On bank borrowings                                         | 4,548.50                             | 2,572.50                             |
| On borrowings from others                                  | 1,918.12                             | 1,681.01                             |
| Interest on lease liability                                | 24.87                                | 18.03                                |
| <b>Total</b>                                               | <b>6,491.49</b>                      | <b>4,293.87</b>                      |

**28. FEES AND COMMISSION EXPENSES**

| Particulars         | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|---------------------|--------------------------------------|--------------------------------------|
| Fees and commission | 47.67                                | 25.86                                |
| <b>Total</b>        | <b>47.67</b>                         | <b>25.86</b>                         |

(Amount in ₹ Lakhs, unless otherwise stated)

**29. IMPAIRMENT ON FINANCIAL INSTRUMENTS**

| Particulars                                                | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>On financial Instruments measured at Amortised cost</b> |                                      |                                      |
| Impairment provision on loans                              | 264.16                               | 175.00                               |
| Loans & Advances written off                               | 931.37                               | 340.08                               |
| <b>Total</b>                                               | <b>1,195.53</b>                      | <b>515.08</b>                        |

**30. EMPLOYEE BENEFITS EXPENSES**

| Particulars                               | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|-------------------------------------------|--------------------------------------|--------------------------------------|
| Salaries and wages                        | 2,221.72                             | 1,773.66                             |
| Bonus and incentives                      | 338.32                               | 238.99                               |
| Contribution to provident and other funds | 107.30                               | 83.52                                |
| Share based payment expenses              | 22.00                                | 3.37                                 |
| Staff medical insurance                   | 44.99                                | 18.40                                |
| Staff welfare expenses                    | 35.11                                | 31.35                                |
| Gratuity                                  | 10.60                                | 7.75                                 |
| <b>Total</b>                              | <b>2,780.04</b>                      | <b>2,157.04</b>                      |

**31. DEPRECIATION, AMORTIZATION & IMPAIRMENT**

| Particulars                                    |           | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|------------------------------------------------|-----------|--------------------------------------|--------------------------------------|
| Depreciation on Property, Plant and Equipment. | Note 10   | 90.35                                | 81.73                                |
| Depreciation on Investment Property            | Note 9    | 0.33                                 | 0.29                                 |
| Depreciation on Right to use Assets            | Note 13.2 | 56.66                                | 43.81                                |
| Amortization on Intangible Assets              | Note 12   | 24.66                                | 11.93                                |
| <b>Total</b>                                   |           | <b>172.00</b>                        | <b>137.75</b>                        |

**32. OTHER EXPENSES**

| Particulars                                 |  | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|---------------------------------------------|--|--------------------------------------|--------------------------------------|
| Advertisement & Business Promotion Expenses |  | 19.59                                | 25.25                                |
| Listing, filing and rating fee etc.         |  | 1.50                                 | 12.81                                |
| Payment to Auditors #                       |  | 18.21                                | 17.98                                |
| Bank Charges                                |  | 7.83                                 | 4.46                                 |
| Corporate Social Responsibility Expenses    |  | 127.92                               | 97.10                                |
| Donation                                    |  | -                                    | 0.31                                 |
| Directors' Sitting Fees                     |  | 3.76                                 | 4.58                                 |
| EDP Expenses                                |  | 3.81                                 | 2.50                                 |
| Electricity Expenses                        |  | 17.24                                | 13.45                                |
| Festival Expenses                           |  | 15.95                                | 15.44                                |
| Insurance Expenses                          |  | 3.56                                 | 2.35                                 |
| Interest Paid (Others)                      |  | 0.18                                 | 0.60                                 |
| Loss on sale of Assets held for sale        |  | 18.95                                | -                                    |
| Commission & Brokerage                      |  | 41.69                                | 13.06                                |

(Amount in ₹ Lakhs, unless otherwise stated)

**32. OTHER EXPENSES** (Contd.)

| Particulars                                       | For the Year ended<br>31 March, 2025 | For the Year ended<br>31 March, 2024 |
|---------------------------------------------------|--------------------------------------|--------------------------------------|
| Legal & Professional Charges                      | 233.66                               | 220.02                               |
| CIBIL Charges                                     | 31.64                                | 40.32                                |
| FI/RCU Charges                                    | 94.49                                | 96.89                                |
| Valuation Charges                                 | 73.85                                | 81.80                                |
| Meeting & Conference Expenses                     | 17.74                                | 3.49                                 |
| Miscellaneous Expenses                            | 7.73                                 | 3.23                                 |
| Office Expenses                                   | 39.55                                | 33.35                                |
| Postage & Courier Expenses                        | 7.82                                 | 7.73                                 |
| Printing & Stationery                             | 10.15                                | 11.07                                |
| Rent (Short term leases)                          | 64.04                                | 36.68                                |
| Repair & Maintenance                              | 74.49                                | 31.51                                |
| Software & Technical Services                     | 88.79                                | 40.31                                |
| Telephone Expenses                                | 16.36                                | 10.58                                |
| Travelling & Conveyance                           | 179.11                               | 135.91                               |
| Vehicle Running Expenses                          | 9.85                                 | 6.51                                 |
| <b>Total</b>                                      | <b>1,229.46</b>                      | <b>969.29</b>                        |
| <b>#Payment to auditors</b>                       |                                      |                                      |
| <b>As auditor</b>                                 |                                      |                                      |
| - Statutory Audit fee (including limited reviews) | 14.85                                | 13.70                                |
| - Tax Audit Fee                                   | 1.91                                 | 1.91                                 |
| - for Certification                               | 0.05                                 | 1.04                                 |
| - Out of pocket expenses                          | 1.40                                 | 1.33                                 |
| <b>Total</b>                                      | <b>18.21</b>                         | <b>17.98</b>                         |

**33. RECONCILIATION OF MOVEMENT IN BORROWINGS TO CASH FLOWS FROM FINANCING ACTIVITIES**

| Particulars       | 31 March<br>2024 | Cash Flows       | Amortisation of<br>loan origination<br>costs | Impact of<br>Ind AS 116 | 31 March<br>2025 |
|-------------------|------------------|------------------|----------------------------------------------|-------------------------|------------------|
| Borrowings        | 50,322.30        | 19,360.05        | (188.06)                                     | -                       | 69,494.29        |
| Lease liabilities | 171.27           | (78.38)          | -                                            | 125.90                  | 218.79           |
|                   | <b>50,493.57</b> | <b>19,281.67</b> | <b>(188.06)</b>                              | <b>125.90</b>           | <b>69,713.08</b> |

**34. SEGMENT INFORMATION**

In the opinion of the management, there is only business segment i.e. lending, which have similar risks and return for the purpose of Ind AS 108 'Operating segments', prescribed under Section 133 of the Companies Act, 2013 ('Act') read with the relevant rules issued thereunder. Accordingly, no separate disclosure for segmental reporting is required to be made in the financial statements or the Company.

Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

All the operating revenue of the Company is from the external customers with in India only. No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2025 or 31 March 2024.



(Amount in ₹ Lakhs, unless otherwise stated)

### 35. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The ESOS Scheme titled "CSL Employee Stock options Scheme 2016" (CSL ESOS 2016) was approved by the shareholders on 30.09.2016. 7,00,000 options are covered under the CSL ESOS, 2016.

During the financial year 2016-17, the Compensation Committee in its meeting held on 03.02.2016 and 11.02.2016 has granted 4,50,000 options (aggregate) under ESOS to eligible employees of the Company. Each option comprises one underlying equity share. The terms regarding vesting and exercise of options are governed by the grant letters issued to the eligible employees to whom options are granted. The Exercise price has been determined at ₹226/- per share for the grant of aforesaid 450000 options.

During the financial year 2017-18, the Compensation Committee in its meeting held on 12.05.2017 and 07.07.2017 has granted 1,15,000 options (aggregate) under ESOS to eligible employees of the Company. Each option comprises one underlying equity share. The terms regarding vesting and exercise of options are governed by the grant letters issued to the eligible employees to whom options are granted. The Exercise price has been determined at ₹240/- per share for the grant of aforesaid 1,15,000 options.

During the financial year 2018-19, 69,350 options were exercised and 1,65,000 equity shares were

allotted. However, 90,000 options were lapsed during the financial year 2018-19 and no fresh options were granted during the year.

During the financial year 2019-20, 24,891 options were exercised and 90,000 equity shares were allotted. However, 12,500 options were lapsed during the financial year 2019-20 and no fresh options were granted during the year.

During the financial year 2020-21, 34,921 options were exercised and 120,838 options were lapsed during the financial year 2020-21 and no fresh options were granted during the year.

During the financial year 2021-22, 6,625 options were exercised. During the current financial year 400,000 equity shares were allotted along with the 71,676 bonus shares.

During the financial year 2022-23, 6,625 options were exercised. During the current financial year 481,000 equity shares were granted.

During the financial year 2023-24, 14,7814 options were exercised and 152,250 shares were lapsed.

During the financial year 2024-25, 19,375 options were exercised and 61,875 shares were lapsed. During the current financial year 30,000 equity shares were allotted.

Employee Stock options details as on the Balance sheet date are as follows:

#### a) Terms and conditions

| Particulars                          | Terms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Type of arrangement                  | CSL EMPLOYEE STOCK OPTIONS SCHEME 2016-II                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                      | During the financial year 2021-22, the shareholders of the Company on March 26, 2022, through postal ballot by Remote E-voting have approved the revision in the Exercise Period from exiting 3 years to 5 years and have adopted the amended CSL Stock Option Scheme, 2016-II.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Contractual life                     | The scheme shall continue in effect unless terminated by the Company or the Committee or until all options available to be granted under the scheme are fully exercised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Number of vested options exercisable | The vested options are exercisable within the exercise period i.e. 5 (Five) years from the date of vesting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Method of settlement                 | Share route- the Grantee shall make the payment of the exercise price and tax amount due, by way of cheque/demand draft/transfer as under: <ul style="list-style-type: none"> <li>i) For the Exercise Price to the Trust</li> <li>ii) For applicable income tax to the Company</li> </ul> <p>On receipt of the payment as above, the Trust will transfer the relevant number of Shares in the de-mat account of the Grantee.</p> <p>Cashless route-After the receipt of request letter for transfer by grantee, the Trust will sell the relevant number of the Shares and disburse the sale proceeds (after deducting the Exercise Price and the applicable income tax) to the bank account of the Grantee. The Company will inform the Trust of the amount of the applicable income tax to be withheld from the sale proceeds of the Shares. The Trust will pay the exercise price and tax amount so collected upon sale, to the Company.</p> |

(Amount in ₹ Lakhs, unless otherwise stated)

**a) Terms and conditions** (Contd.)

| Particulars        | Terms                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vesting conditions | <p>Vesting period shall commence after 1 (One) Year from the date of grant of Options and may extend upto 5 (Five) years from the date of grant.</p> <p>The Committee at its discretion, may link the actual vesting of the Options with the performance of the Grantee.</p> <p>The Committee shall have the power to modify the vesting schedule on a case to-case basis subject to the minimum gap of 1 (One) year between the grant and first vesting.</p> <p>The options which get lapsed due to Performance Appraisal (if applicable) in any of the vesting, will get lapsed from the hands of the Grantee and will be add-back to the pool of ungranted options of this Scheme, and will be available for further grants under the scheme.</p> <p>The options will lapse if the employment is terminated prior to vesting. Further, The Nomination &amp; Remuneration Committee (NRC)/Compensation Committee has the sole discretion to lapse/cancel the ESOP of the employees in case of misconduct by the employees.</p> |

**b) The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year.**

| Particulars                                   | As at 31 March, 2025 |            | As at 31 March, 2024 |            |
|-----------------------------------------------|----------------------|------------|----------------------|------------|
|                                               | Number               | WAEP (INR) | Number               | WAEP (INR) |
| Options outstanding at beginning of year      | 3,92,686             | 120        | 6,92,750             | 128        |
| Options granted during the year               | 30,000               | 160        | -                    | -          |
| Options vested during the year                | -                    | -          | -                    | -          |
| Bonus shares issued during the year           | -                    | -          | -                    | -          |
| <b>Less:</b>                                  |                      |            |                      |            |
| Options exercised during the year             | 19,375               | 111        | 1,47,814             | 125        |
| Options forfeited during the year             | 61,875               | 158        | 1,52,250             | 160        |
| <b>Options outstanding at the end of year</b> | <b>3,41,436</b>      | <b>120</b> | <b>3,92,686</b>      | <b>120</b> |

**36. EARNINGS PER SHARE**

| Particulars                                                                                | 31 March, 2025 | 31 March, 2024 |
|--------------------------------------------------------------------------------------------|----------------|----------------|
| Net profit from operations attributable to equity holders - ₹                              | 7,208.12       | 6,329.28       |
| Net profit attributable to ordinary equity holders adjusted for the effect of dilution - ₹ | 7,208.12       | 6,329.28       |

| Particulars                                                                              | 31 March, 2025 | 31 March, 2024 |
|------------------------------------------------------------------------------------------|----------------|----------------|
| Weighted average number of ordinary shares for basic earnings per share (In Nos.)        | 2,27,82,621    | 2,21,30,260    |
| Effect of dilution:                                                                      |                |                |
| - Employee share options (In Nos.)                                                       | 2,50,611       | 2,59,958       |
| - Share warrants (In Nos.)                                                               |                | -              |
| Weighted average number of ordinary shares adjusted for the effect of dilution (In Nos.) | 2,30,33,232    | 2,23,90,218    |
| <b>Earnings per share</b>                                                                |                |                |
| Basic earnings per share: ₹                                                              | 31.64          | 28.60          |
| Diluted earnings per share: ₹                                                            | 31.29          | 28.27          |

(Amount in ₹ Lakhs, unless otherwise stated)

**37. CONTINGENT LIABILITIES**

| Particulars                                                | 31 March, 2025 | 31 March, 2024 |
|------------------------------------------------------------|----------------|----------------|
| - Claims against the Company not acknowledged as debts     | -              | -              |
| - Guarantees excluding financial guarantees                | -              | -              |
| - Other money for which the Company is contingently liable | -              | -              |

**38.** There are no commitments as at 31 March, 2025/31 March, 2024.**39. FAIR VALUE MEASUREMENT****39.1 Fair value of financial instruments not measured at fair value**

Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Company's financial instruments are as follows:

| Particulars                                           | Level   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-------------------------------------------------------|---------|------------------------|------------------------|
| <b>Financial assets</b>                               |         |                        |                        |
| <b>Measured at amortised cost</b>                     |         |                        |                        |
| - Cash and cash equivalents                           | Level 3 | 6,380.11               | 5,408.71               |
| - Bank balance (other than cash and cash equivalents) | Level 3 | 1,670.93               | 930.32                 |
| - Loans                                               | Level 3 | 1,14,417.64            | 90,925.07              |
| - Other financial assets                              | Level 3 | 489.54                 | 262.39                 |
| <b>Total financial assets</b>                         |         | <b>1,22,958.22</b>     | <b>97,526.49</b>       |
| <b>Financial liabilities</b>                          |         |                        |                        |
| <b>Measured at amortised cost</b>                     |         |                        |                        |
| - Borrowings                                          | Level 3 | 69,494.29              | 50,322.30              |
| - Lease liabilities                                   | Level 3 | 218.79                 | 171.27                 |
| - Other financial liabilities                         | Level 3 | 455.63                 | 423.32                 |
| <b>Total financial liabilities</b>                    |         | <b>70,168.71</b>       | <b>50,916.89</b>       |

**39.2 Valuation methodologies of financial instruments not measured at fair value**

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

**Short-term financial assets and liabilities**

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, balances other than cash and cash equivalents. Such amounts have been classified as Level 2/Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

**Loans and advances to customers**

For loans and advances, the fair value is calculated for SME and Wholesale portfolios separately. The

weighted average rate of lending is computed for each segment on reporting date and the portfolio is then adjusted for changes in these rates.

**Borrowings**

The fair values of financial liability held-to-maturity are estimated using effective interest rate model based on contractual cash flows using weighted average rate of borrowing of the Company.

**40. CREDIT RISK MANAGEMENT****40.1 Credit Risk**

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its loans primarily based on days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

(Amount in ₹ Lakhs, unless otherwise stated)

## 40.2 Credit Quality of Loans

The following table sets out information about credit quality of loans measured at amortised cost based on days past due information. The amount represents gross carrying amount.

### Wholesale Loans

| Particulars                                            | 31 March, 2025  | 31 March, 2024  |
|--------------------------------------------------------|-----------------|-----------------|
| Not due                                                | 77532.65        | 51446.84        |
| 1-30 days past due                                     | -               | -               |
| 31-90 days past due                                    | -               | -               |
| Impaired (more than 90 days)                           | -               | -               |
| <b>Total Gross carrying value as at reporting date</b> | <b>77532.65</b> | <b>51446.84</b> |

### SME Loans

| Particulars                                            | 31 March, 2025  | 31 March, 2024  |
|--------------------------------------------------------|-----------------|-----------------|
| Not due                                                | 33070.75        | 38585.36        |
| 1-30 days past due                                     | 2416.92         | 1025.36         |
| 31-90 days past due                                    | 2225.65         | 556.68          |
| Impaired (more than 90 days)                           | 531.43          | 406.43          |
| <b>Total Gross carrying value as at reporting date</b> | <b>38244.75</b> | <b>40573.83</b> |

Note: The Company is into Wholesale & SME lending business, there is no significant credit risk of any individual customer that may impact Company adversely.

## 40.3 ECL Methodology

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument.

**Stage 1 (0-30 days)** includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.

**Stage 2 (31-90 days)** includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

**Stage 3 (more than 90 days)** includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default

### (i) Definition of default

The Company considers a financial asset to be in "default" when a financial asset is 90 days past due and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

### (ii) Exposure at default

EAD is based on the amounts the Company expects to be owed at the time of default. Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis. The EAD for Stage 3 assets is the gross principal outstanding at the date of default.

### (iii) Estimations and assumptions considered in the ECL model

The probability of default (PD) is the likelihood that an obligor will default on its obligations in the future. Ind AS 109 requires a separate PD for a 12-month duration and lifetime duration depending on the stage allocation of the obligor.

PD describes the probability of a loan to eventually falling in default (>90 days past due) category. To calculate the PD, loans are classified in three stages based on risk profile of the loan products. PD %age is calculated for each loan product separately and is determined by using available historical observations.

PD for stage 1 derived as %age of all loans in stage 1 moving into stage 2 in 12- months' time.

PD for stage 2 derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.



(Amount in ₹ Lakhs, unless otherwise stated)

PD for stage 3 derived as 100% considering that the default occurs as soon as the loan becomes overdue for 90 days that matches the definition of stage 3.

#### (iv) Forward looking information

PDs has been converted into forward looking PD which incorporates the forward-looking economic outlook. For SME and Wholesale portfolio, Real GDP (% change p.a.) is used as the macroeconomic variable.

#### (v) Assessment of significant increase in credit risk

When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort.

#### (vi) Write Offs/Recoveries

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

#### (vii) Undrawn commitments

These commitments pertain to the loans sanctioned but amount remaining undrawn. The Company can opt not to disburse the undrawn amount at its discretion. Therefore, no provision has been created on these commitments.

### 40.4 Impairment Loss

#### a) Wholesale Loans

| Particulars            | Stage I          | Stage II | Stage III | Total            |
|------------------------|------------------|----------|-----------|------------------|
| <b>31 March 2025</b>   |                  |          |           |                  |
| Gross Balance          | 77,532.65        | -        | -         | 77,532.65        |
| Expected Credit loss   | 620.26           | -        | -         | 620.26           |
| <b>Carrying Amount</b> | <b>76,912.39</b> | <b>-</b> | <b>-</b>  | <b>76,912.39</b> |
| <b>31 March 2024</b>   |                  |          |           |                  |
| Gross Balance          | 51,446.84        | -        | -         | 51,446.84        |
| Expected Credit loss   | 516.83           | -        | -         | 516.83           |
| <b>Carrying Amount</b> | <b>50,930.00</b> | <b>-</b> | <b>-</b>  | <b>50,930.00</b> |

#### b) SME Loans-Retail

| Particulars            | Stage I          | Stage II        | Stage III     | Total            |
|------------------------|------------------|-----------------|---------------|------------------|
| <b>31 March 2025</b>   |                  |                 |               |                  |
| Gross Balance          | 35,487.67        | 2,225.65        | 531.43        | 38,244.75        |
| Expected Credit loss   | 394.60           | 212.04          | 132.86        | 739.50           |
| <b>Carrying Amount</b> | <b>35,093.07</b> | <b>2,013.61</b> | <b>398.57</b> | <b>37,505.25</b> |
| <b>31 March 2024</b>   |                  |                 |               |                  |
| Gross Balance          | 39,610.72        | 556.68          | 406.43        | 40,573.83        |
| Expected Credit loss   | 397.93           | 5.63            | 175.21        | 578.77           |
| <b>Carrying Amount</b> | <b>39,212.79</b> | <b>551.05</b>   | <b>231.22</b> | <b>39,995.06</b> |

(Amount in ₹ Lakhs, unless otherwise stated)

**40.5 Gross Exposure and ECL Balance reconciliation****a) Wholesale Loans****i) Reconciliation of gross exposure is given below:**

| Particulars                                    | Financial Year 2024 -25 |         |         |                  |
|------------------------------------------------|-------------------------|---------|---------|------------------|
|                                                | Stage 1                 | Stage 2 | Stage 3 | Total            |
| <b>Gross carrying amount - Opening balance</b> | <b>51,446.84</b>        | -       | -       | <b>51,446.84</b> |
| New assets originated or purchased             | 95,864.00               | -       | -       | 95,864.00        |
| Assets derecognised/ repayments                | (69,778.19)             | -       | -       | (69,778.19)      |
| Transfers to Stage 1                           | -                       | -       | -       | -                |
| Transfers to Stage 2                           | -                       | -       | -       | -                |
| Transfers to Stage 3                           | -                       | -       | -       | -                |
| <b>Gross carrying amount - Closing balance</b> | <b>77,532.65</b>        | -       | -       | <b>77,532.65</b> |

| Particulars                                    | Financial Year 2023 -24 |         |         |                  |
|------------------------------------------------|-------------------------|---------|---------|------------------|
|                                                | Stage 1                 | Stage 2 | Stage 3 | Total            |
| <b>Gross carrying amount - Opening balance</b> | <b>44,284.34</b>        | -       | -       | <b>44,284.34</b> |
| New assets originated or purchased             | 65,626.84               | -       | -       | 65,626.84        |
| Assets derecognised/ repayments                | (58,464.34)             | -       | -       | (58,464.34)      |
| Transfers to Stage 1                           | -                       | -       | -       | -                |
| Transfers to Stage 2                           | -                       | -       | -       | -                |
| Transfers to Stage 3                           | -                       | -       | -       | -                |
| <b>Gross carrying amount - Closing balance</b> | <b>51,446.84</b>        | -       | -       | <b>51,446.84</b> |

**ii) Reconciliation of ECL balance is given below:**

| Particulars                                  | Financial Year 2024-25 |         |         |               |
|----------------------------------------------|------------------------|---------|---------|---------------|
|                                              | Stage 1                | Stage 2 | Stage 3 | Total         |
| <b>ECL allowance - opening balance</b>       | <b>516.83</b>          | -       | -       | <b>516.83</b> |
| New assets originated or purchased           | 766.92                 | -       | -       | 766.92        |
| Assets derecognised/ repayments              | (663.49)               | -       | -       | (663.49)      |
| Changes in ECL due to Gross exposure changes | -                      | -       | -       | -             |
| Transfers to Stage 1                         | -                      | -       | -       | -             |
| Transfers to Stage 2                         | -                      | -       | -       | -             |
| Transfers to Stage 3                         | -                      | -       | -       | -             |
| <b>ECL allowance - Closing balance</b>       | <b>620.26</b>          | -       | -       | <b>620.26</b> |

(Amount in ₹ Lakhs, unless otherwise stated)

| Particulars                                  | Financial Year 2023-24 |         |         |               |
|----------------------------------------------|------------------------|---------|---------|---------------|
|                                              | Stage 1                | Stage 2 | Stage 3 | Total         |
| <b>ECL allowance - opening balance</b>       | <b>431.16</b>          | -       | -       | <b>431.16</b> |
| New assets originated or purchased           | 659.29                 | -       | -       | 659.29        |
| Assets derecognised/ repayments              | (573.61)               | -       | -       | (573.61)      |
| Changes in ECL due to Gross exposure changes | -                      | -       | -       | -             |
| Transfers to Stage 1                         | -                      | -       | -       | -             |
| Transfers to Stage 2                         | -                      | -       | -       | -             |
| Transfers to Stage 3                         | -                      | -       | -       | -             |
| <b>ECL allowance - Closing balance</b>       | <b>516.83</b>          | -       | -       | <b>516.83</b> |

**b) SME Loans-Retail****i) Reconciliation of gross exposure is given below:**

| Particulars                                    | Financial Year 2024-25 |                 |               |                  |
|------------------------------------------------|------------------------|-----------------|---------------|------------------|
|                                                | Stage 1                | Stage 2         | Stage 3       | Total            |
| <b>Gross carrying amount - Opening balance</b> | <b>39,610.72</b>       | <b>556.68</b>   | <b>406.43</b> | <b>40,573.83</b> |
| New assets originated or purchased             | 16,708.88              | -               | -             | 16,708.88        |
| Assets derecognised/ repayments                | (17,969.45)            | (137.14)        | (931.37)      | (19,037.96)      |
| Transfers to Stage 1                           | 190.76                 | (158.31)        | (32.45)       | -                |
| Transfers to Stage 2                           | (2,349.09)             | 2,360.83        | (11.74)       | -                |
| Transfers to Stage 3                           | (704.15)               | (396.41)        | 1,100.56      | -                |
| <b>Gross carrying amount - closing balance</b> | <b>35,487.67</b>       | <b>2,225.65</b> | <b>531.43</b> | <b>38,244.75</b> |

| Particulars                                    | Financial Year 2023-24 |               |               |                  |
|------------------------------------------------|------------------------|---------------|---------------|------------------|
|                                                | Stage 1                | Stage 2       | Stage 3       | Total            |
| <b>Gross carrying amount - Opening balance</b> | <b>28,159.18</b>       | <b>348.16</b> | <b>447.35</b> | <b>28,954.68</b> |
| New assets originated or purchased             | 36,138.38              | -             | -             | 36,138.38        |
| Assets derecognised/ repayments                | (24,103.99)            | (115.68)      | (299.57)      | (24,519.23)      |
| Transfers to Stage 1                           | 110.79                 | (90.42)       | (20.37)       | -                |
| Transfers to Stage 2                           | (418.89)               | 434.54        | (15.65)       | -                |
| Transfers to Stage 3                           | (274.74)               | (19.93)       | 294.67        | -                |
| <b>Gross carrying amount - Closing balance</b> | <b>39,610.72</b>       | <b>556.68</b> | <b>406.43</b> | <b>40,573.83</b> |

(Amount in ₹ Lakhs, unless otherwise stated)

## ii) Reconciliation of ECL balance is given below:

| Particulars                                  | Financial Year 2024-25 |               |               |               |
|----------------------------------------------|------------------------|---------------|---------------|---------------|
|                                              | Stage 1                | Stage 2       | Stage 3       | Total         |
| <b>ECL allowance - opening balance</b>       | <b>397.93</b>          | <b>5.63</b>   | <b>175.21</b> | <b>578.77</b> |
| New assets originated or purchased           | 282.09                 | -             | -             | 282.09        |
| Assets derecognised/ repayments              | (262.53)               | (13.18)       | (216.01)      | (491.71)      |
| Changes in ECL due to Gross exposure changes | -                      | -             | -             | -             |
| Transfers to Stage 1                         | 1.53                   | (15.83)       | (8.11)        | (22.41)       |
| Transfers to Stage 2                         | (18.79)                | 275.07        | (2.93)        | 253.34        |
| Transfers to Stage 3                         | (5.63)                 | (39.64)       | 184.69        | 139.41        |
| <b>ECL allowance - Closing balance</b>       | <b>394.60</b>          | <b>212.04</b> | <b>132.86</b> | <b>739.50</b> |

| Particulars                                  | Financial Year 2023-24 |             |               |               |
|----------------------------------------------|------------------------|-------------|---------------|---------------|
|                                              | Stage 1                | Stage 2     | Stage 3       | Total         |
| <b>ECL allowance - opening balance</b>       | <b>291.23</b>          | <b>6.16</b> | <b>192.06</b> | <b>489.45</b> |
| New assets originated or purchased           | 363.05                 | -           | -             | 363.05        |
| Assets derecognised/ repayments              | (250.49)               | (3.79)      | (128.35)      | (382.63)      |
| Changes in ECL due to Gross exposure changes | -                      | -           | -             | -             |
| Transfers to Stage 1                         | 1.11                   | (0.91)      | (8.78)        | (8.58)        |
| Transfers to Stage 2                         | (4.21)                 | 4.37        | (6.75)        | (6.59)        |
| Transfers to Stage 3                         | (2.76)                 | (0.20)      | 127.03        | 124.07        |
| <b>ECL allowance - Closing balance</b>       | <b>397.93</b>          | <b>5.63</b> | <b>175.21</b> | <b>578.77</b> |

## 40.6 Concentration of Credit Risk

The Company manages concentration of risk primarily by geographical region in India. The following tables show the geographical concentrations of loans:

| Region                                                 | 31 March, 2025     | 31 March, 2024   |
|--------------------------------------------------------|--------------------|------------------|
| <b>SME Loans</b>                                       |                    |                  |
| -North                                                 | 21,110.88          | 24,074.53        |
| -West                                                  | 17,133.87          | 16,499.30        |
| <b>Wholesale Loans</b>                                 |                    |                  |
| -North                                                 | 77,532.65          | 51,446.84        |
| <b>Total Gross carrying value as at reporting date</b> | <b>1,15,777.40</b> | <b>92,020.67</b> |



(Amount in ₹ Lakhs, unless otherwise stated)

## 40.7 Collateral

### i) Narrative description of collateral

The Company has business interests in Wholesale and SME Retail Lending. The Company risk is mitigated by considering the collateral from the borrowers. Thereby the Company employs a range of policies and practices to manage the credit risk in the business. The most common is to by accepting the collateral from the borrowers. The Company deploys internal policies on the acceptability of the specific class of collateral or credit risk mitigation. The principal collateral types for the loans and advances includes:

- Mortgage of Immovable Property
- Pledge of the Shareholding of Promoters
- Hypothecation of Immovable Property
- Pledge of instruments through which promoters contribution is infused in the project

### ii) Gross value of total secured loans to value of collateral

| Loan to value | Gross value of secured Wholesale loans |                  | Gross value of secured SME loans |                  |
|---------------|----------------------------------------|------------------|----------------------------------|------------------|
|               | 31 March 2025                          | 31 March 2024    | 31 March 2025                    | 31 March 2024    |
| 0% to 20%     | 12,211.75                              | 16,520.88        | 3,822.87                         | 5,220.29         |
| 21% to 50%    | 43,717.72                              | 29,338.13        | 21,119.70                        | 22,427.28        |
| 51% to 70%    | 19,549.15                              | 5,587.83         | 12,619.91                        | 11,996.46        |
| 71% to 85%    | 2,054.03                               | -                | 571.65                           | 59.79            |
| More than 85% | -                                      | -                | 47.72                            | -                |
| <b>Total</b>  | <b>77,532.65</b>                       | <b>51,446.84</b> | <b>38,181.85</b>                 | <b>39,703.82</b> |

### iii) Fair value of collateral held against credit impaired assets

#### 31 March 2025

| Particulars     | Maximum exposure | Plant & Machinery | Land & Building | Other    | Total Collateral | Net Exposure      | Associated ECL |
|-----------------|------------------|-------------------|-----------------|----------|------------------|-------------------|----------------|
| Wholesale Loans | -                | -                 | -               | -        | -                | -                 | -              |
| SME Loans       | 531.43           | -                 | 1,781.99        | -        | 1,781.99         | (1,250.56)        | 132.86         |
| <b>Total</b>    | <b>531.43</b>    | <b>-</b>          | <b>1,781.99</b> | <b>-</b> | <b>1,781.99</b>  | <b>(1,250.56)</b> | <b>132.86</b>  |

#### 31 March 2024

| Particulars     | Maximum exposure | Plant & Machinery | Land & Building | Other    | Total Collateral | Net Exposure    | Associated ECL |
|-----------------|------------------|-------------------|-----------------|----------|------------------|-----------------|----------------|
| Wholesale Loans | -                | -                 | -               | -        | -                | -               | -              |
| SME Loans       | 406.43           | -                 | 1404.82         | -        | 1404.82          | (998.39)        | 175.21         |
| <b>Total</b>    | <b>406.43</b>    | <b>-</b>          | <b>1404.82</b>  | <b>-</b> | <b>1404.82</b>   | <b>(998.39)</b> | <b>175.21</b>  |

## 41. LIQUIDITY RISK AND FUNDING MANAGEMENT

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages liquidity risk by measuring and managing net funding requirements by calculating the cumulative surplus or deficit of funds at a selected maturity dates. The Company also maintains adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(Amount in ₹ Lakhs, unless otherwise stated)

### 4.1.1 Maturity profile of Financial Liabilities

The disclosure is based upon the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at 31 March, 2025 and 31 March, 2024.

#### As at 31 March 2025

| Particulars                   | Less than 1 Year | 1-3 Years        | 3-5 Years       | 5 Years and Above | Total            |
|-------------------------------|------------------|------------------|-----------------|-------------------|------------------|
| <b>Borrowings</b>             |                  |                  |                 |                   |                  |
| - Term Loans                  | 35,958.43        | 29,273.12        | 1,657.77        | 166.68            | 67,056.00        |
| - Loans repayable on demand   | 2,438.29         | -                | -               | -                 | 2,438.29         |
| - Lease Liabilities           | 58.73            | 83.41            | 29.13           | 47.52             | 218.79           |
| - Other Financial Liabilities | 455.63           | -                | -               | -                 | 455.63           |
| <b>Total</b>                  | <b>38,911.09</b> | <b>29,356.53</b> | <b>1,686.90</b> | <b>214.20</b>     | <b>70,168.71</b> |

#### As at 31 March 2024

| Particulars                   | Less than 1 Year | 1-3 Years        | 3-5 Years       | 5 Years and Above | Total            |
|-------------------------------|------------------|------------------|-----------------|-------------------|------------------|
| <b>Borrowings</b>             |                  |                  |                 |                   |                  |
| - Term Loans                  | 20,077.39        | 26,719.97        | 1,606.20        | 500.00            | 48,903.56        |
| - Loans repayable on demand   | 1,418.74         | -                | -               | -                 | 1,418.74         |
| - Lease Liabilities           | 47.39            | 86.73            | 37.15           | -                 | 171.27           |
| - Other Financial Liabilities | 423.32           | -                | -               | -                 | 423.32           |
| <b>Total</b>                  | <b>21,966.84</b> | <b>26,806.71</b> | <b>1,643.35</b> | <b>500.00</b>     | <b>50,916.90</b> |

### 4.1.2 Maturity profile of assets and liabilities

| Particulars                                       | As at 31 March, 2025 |                 |             | As at 31 March, 2024 |                 |           |
|---------------------------------------------------|----------------------|-----------------|-------------|----------------------|-----------------|-----------|
|                                                   | With in 12 Months    | After 12 Months | Total       | With in 12 Months    | After 12 Months | Total     |
| <b>Assets</b>                                     |                      |                 |             |                      |                 |           |
| <b>Financial Assets</b>                           |                      |                 |             |                      |                 |           |
| Cash and cash equivalents                         | 6,380.11             | -               | 6,380.11    | 5,408.71             | -               | 5,408.71  |
| Bank Balance other than cash and cash equivalents | 1,056.41             | 614.52          | 1,670.93    | 893.95               | 36.37           | 930.32    |
| Loans                                             | 42,368.26            | 72,049.38       | 1,14,417.64 | 20,673.37            | 70,251.69       | 90,925.07 |
| Other Financial assets                            | 489.54               | -               | 489.54      | 262.39               | -               | 262.39    |
| <b>Non-financial Assets</b>                       |                      |                 |             |                      |                 |           |
| Current tax Assets (Net)                          | -                    | 181.05          | 181.05      | -                    | -               | -         |
| Deferred tax Assets (Net)                         | -                    | 111.27          | 111.27      | -                    | 105.31          | 105.31    |
| Investment Property                               | -                    | 15.57           | 15.57       | -                    | 13.14           | 13.14     |
| Property, Plant and Equipment                     | -                    | 598.34          | 598.34      | -                    | 548.18          | 548.18    |
| Intangible Assets under development               | 8.47                 | -               | 8.47        | 15.35                | -               | 15.35     |
| Other Intangible assets                           | -                    | 70.03           | 70.03       | -                    | 70.11           | 70.11     |
| Right-of-use assets                               | -                    | 182.44          | 182.44      | -                    | 134.27          | 134.27    |

(Amount in ₹ Lakhs, unless otherwise stated)

**41.2 Maturity profile of assets and liabilities** (Contd.)

| Particulars                      | As at 31 March, 2025 |                  |                    | As at 31 March, 2024 |                  |                  |
|----------------------------------|----------------------|------------------|--------------------|----------------------|------------------|------------------|
|                                  | With in 12 Months    | After 12 Months  | Total              | With in 12 Months    | After 12 Months  | Total            |
| Other non-financial assets       | 96.01                | -                | 96.01              | 69.10                | -                | 69.10            |
| Assets held for sale             | 286.01               | -                | 286.01             | 51.25                | -                | 51.25            |
| <b>Total Assets</b>              | <b>50,684.81</b>     | <b>73,822.61</b> | <b>1,24,507.41</b> | <b>27,374.13</b>     | <b>71,159.08</b> | <b>98,533.20</b> |
| <b>Financial Liabilities</b>     |                      |                  |                    |                      |                  |                  |
| Borrowings                       | 38,396.72            | 31,097.57        | 69,494.29          | 21,496.13            | 28,826.17        | 50,322.30        |
| Lease Liabilities                | 58.73                | 160.06           | 218.79             | -                    | 171.27           | 171.27           |
| Other financial liabilities      | 455.63               |                  | 455.63             | 423.32               |                  | 423.32           |
| <b>Non-Financial Liabilities</b> |                      |                  |                    |                      |                  |                  |
| Current tax liabilities (Net)    | -                    | -                | -                  | 7.40                 | -                | 7.40             |
| Provisions                       | 6.82                 | 37.26            | 44.08              | 31.95                | -                | 31.95            |
| Other non-financial liabilities  | 127.45               | 2.50             | 129.95             | 76.32                | 17.93            | 94.25            |
|                                  | <b>39,045.34</b>     | <b>31,297.39</b> | <b>70,342.73</b>   | <b>22,035.14</b>     | <b>29,015.37</b> | <b>51,050.50</b> |
| <b>Net amount</b>                | <b>11,639.46</b>     | <b>42,525.22</b> | <b>54,164.68</b>   | <b>5,338.99</b>      | <b>42,143.71</b> | <b>47,482.70</b> |

**42. MARKET RISK**

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, Foreign Currency.

The Company's financial statements are not exposed to currency and price risk.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31 March 2025.

**43. TRANSFER OF FINANCIAL ASSETS**

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

**44. CAPITAL MANAGEMENT**

"The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term/long term debt as may be appropriate. The Company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio."

**45. DIVIDEND**

During the year ended 31 March 2025, the Board of Directors have recommended a dividend @ 30% per equity share of ₹ 10/- subject to approval of members at the ensuing Annual General Meeting.

**46. RELATED PARTY DISCLOSURES****(A) Names of related parties and description of relationship as identified and certified by the Company:****Key Management Personnel (KMP) and their relatives**

Mr. Rohit Gupta, Managing Director

Ms. Rachita Gupta, Whole Time Director

Ms. Preeti Gupta, Company Secretary

Mr. Naresh C. Varshney, Chief Financial Officer

Mr. Pramod Bindal, Independent Director

Mr. Chandra Subhash Kwatra, Independent Director

Mr. Ayush Mittal\*

Ms. Alaktika Banerjee \*\*

Mr. Anirudha Kumar \*\*

Mr. Ashok Kathuria

\*Ayush Mittal was independent director till 06-03-2025

\*\* Both of these directors were appointed as director from 18-03-2025

**Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken:**

CSL Capital Pvt. Ltd

(Amount in ₹ Lakhs, unless otherwise stated)

**Post employee benefit plans**

CSL FINANCE LIMITED- Employees Group Gratuity Trust

**Relatives of Key Management Personnel**

Ms. Ridhima Gupta

**(B) Details of transactions with related party in the ordinary course of business for the year ended:****(i) Key Management Personnel (KMP)**

| Particulars                                     | 31 March, 2025 | 31 March, 2024 |
|-------------------------------------------------|----------------|----------------|
| <b>Compensation of key management personnel</b> |                |                |
| Short term employee benefit #                   | 139.66         | 128.60         |
| Loan Given                                      | -              | -              |
| Sitting Fees to Directors                       | 3.76           | 4.58           |

# Excludes provision for encashable leave and gratuity for certain key management personnel as these are determined for the Company as a whole.

**(ii) Post employee benefit plans**

Contributions made during the year

**(iii) Enterprises over which key management personnel and relatives of such personnel exercise significant influence**

| Particulars        | 31 March, 2025 | 31 March, 2024 |
|--------------------|----------------|----------------|
| Loan Given         | 990.00         | -              |
| Loan Received Back | 990.00         | -              |
| Interest Received  | 2.45           | -              |
| Loan Received      | 4,040.00       | 914.00         |
| Loan Repaid        | 4,040.00       | 914.00         |
| Interest Paid      | 25.53          | 11.32          |
| Sale of shares     | -              | -              |

**(C) Amount due to/from related party as on:**

| Particulars                                       | 31 March, 2025 | 31 March, 2024 |
|---------------------------------------------------|----------------|----------------|
| <b>(i) Key Management Personnel (KMP)</b>         |                |                |
| Employee related payables                         | -              | -              |
| Other payables                                    | -              | -              |
| <b>(ii) Relatives of Key Management Personnel</b> |                |                |
| Other payables                                    | -              | -              |

**(iii) Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions has been undertaken:****Balance outstanding at the end of the year**

CSL Capital Pvt. Ltd



(Amount in ₹ Lakhs, unless otherwise stated)

**47. CORPORATE SOCIAL RESPONSIBILITY ('CSR')**

Pursuant to the requirement of Section 135 of the Companies Act, 2013, CSR committee has been formed by the Company. The primary function of the CSR Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time.

| Particulars                                                | Year ended 31 March, 2025                                                                                                                                                               | Year ended 31 March, 2024                                                                                |
|------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Amount required to be spent by the Company during the year | 127.92                                                                                                                                                                                  | 97.10                                                                                                    |
| Amount of expenditure incurred                             | (127.92)                                                                                                                                                                                | (125.78)                                                                                                 |
| Shortfall at the end of the year                           | -                                                                                                                                                                                       | -                                                                                                        |
| Total of previous year shortfall                           | -                                                                                                                                                                                       | 28.68                                                                                                    |
| Reasons for shortfall                                      | The Company does not have any shortfall for the CSR expenses during the year.                                                                                                           | The Company has utilised the shortfall for the previous year CSR expenses in the current financial year. |
| Nature of CSR activities                                   | The Company operates a school for underprivileged children through the Sakshar initiative, aiming to provide quality education and holistic development opportunities to those in need. |                                                                                                          |

**48. ADDITIONAL REGULATORY INFORMATION****(a) Analytical Ratios**

| Particulars                                     | 31 March, 2025 | 31 March, 2024 |
|-------------------------------------------------|----------------|----------------|
| 1 Capital to Risk Weighted Assets Ratio ( CRAR) | 46.94%         | 52.33%         |
| TIER- I CRAR                                    | 45.90%         | 51.33%         |
| TIER- II CRAR                                   | 1.04%          | 1.00%          |
| 2 Liquidity Coverage Ratio                      | 2.65           | 2.25           |

**(b) Others**

The Company, as part of its normal business, grants loans and advances. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

No funds have been advanced or loaned (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by

or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**(c) Relationship with Struck off companies**

During the year, Company has not undertaken any transactions with the companies struck off under the Companies Act, 2013/1956.

**(d) Exposures****1) Exposure to Real Estate Sector**

| Particulars                                                                                                                  | Year ended 31 March, 2025 | Year ended 31 March, 2024 |
|------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>a) Direct exposure</b>                                                                                                    |                           |                           |
| <b>i. Residential Mortgages</b>                                                                                              |                           |                           |
| a. Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; |                           |                           |
| More than 15 lakh                                                                                                            | Nil                       | Nil                       |
| Less than 15 lakh                                                                                                            | Nil                       | Nil                       |
| <b>Sub Total</b>                                                                                                             | <b>Nil</b>                | <b>Nil</b>                |

(Amount in ₹ Lakhs, unless otherwise stated)

**1) Exposure to Real Estate Sector** (Contd.)

| Particulars                                                                                                                                                                                                                                                                                                                                            | Year ended 31<br>March, 2025 | Year ended 31<br>March, 2024 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>ii. Commercial Real Estate</b>                                                                                                                                                                                                                                                                                                                      |                              |                              |
| Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, Land acquisition, development & construction etc.). Exposure would also include non-fund based (NFB) limits; | 80,226.88                    | 56,225.79                    |
|                                                                                                                                                                                                                                                                                                                                                        | <b>80,226.88</b>             | <b>56,225.79</b>             |
| <b>iii. Investments in Mortgage Backed Securities (MBS) and other securitized exposures</b>                                                                                                                                                                                                                                                            |                              |                              |
| Residential                                                                                                                                                                                                                                                                                                                                            | Nil                          | Nil                          |
| Commercial Real Estate                                                                                                                                                                                                                                                                                                                                 | Nil                          | Nil                          |
| <b>Sub Total</b>                                                                                                                                                                                                                                                                                                                                       | <b>Nil</b>                   | <b>Nil</b>                   |
| <b>b) Indirect Exposure</b>                                                                                                                                                                                                                                                                                                                            |                              |                              |
| Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).                                                                                                                                                                                                                                           | Nil                          | Nil                          |
| <b>Sub Total</b>                                                                                                                                                                                                                                                                                                                                       | <b>Nil</b>                   | <b>Nil</b>                   |
| <b>Grand Total (a+b)</b>                                                                                                                                                                                                                                                                                                                               | <b>80,226.88</b>             | <b>56,225.79</b>             |

**2) Exposure to Capital Market**

| Particulars                                                                                                                                                                                                                                                                                                                                                  | Current Year | Previous Year |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|
| (i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;                                                                                                                                                               | Nil          | Nil           |
| (ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;                                                                                                                    | Nil          | Nil           |
| (iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds taken as primary security;                                                                                                                                                                                        | Nil          | Nil           |
| (iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debenture/units of equity oriented mutual funds 'does not fully cover the advances'; | 2,528.32     | 686.04        |
| (v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;                                                                                                                                                                                                                                        | Nil          | Nil           |
| (vi) Loans sanctioned to corporate against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;                                                                                                                            | Nil          | Nil           |

(Amount in ₹ Lakhs, unless otherwise stated)

**2) Exposure to Capital Market** (Contd.)

| Particulars                                                                      | Current Year   | Previous Year |
|----------------------------------------------------------------------------------|----------------|---------------|
| (vii) Bridge loans to companies against expected equity flows/issues;            | Nil            | Nil           |
| (viii) All exposures to Venture Capital Funds (both registered and unregistered) | Nil            | Nil           |
| <b>Total Exposure to Capital Market</b>                                          | <b>2528.32</b> | <b>686.04</b> |

**(e) Disclosure on frauds pursuant to RBI Master Directions**

No frauds have been detected during the year under consideration

**(f) Other Regulator Registration**

| Regulator                     | Registration No       |
|-------------------------------|-----------------------|
| Ministry of Corporate Affairs | L74889DL1992PLC051462 |
| Reserve Bank of India         | B-14.00652            |
| IRDAI                         | CA0977                |
| Bombay Stock Exchange         | 530067                |
| National Stock Exchange       | CSLFINANCE            |

**(g) Details of Penalties imposed by the above Regulators**

No penalties has been imposed by RBI and other regulators on the Company during the year.

**(h) Concentration of Advances Exposures & NPA****Concentration of Advances**

| Particulars                                                                                | Amount (in ₹) |
|--------------------------------------------------------------------------------------------|---------------|
| Total Advances to twenty largest borrowers                                                 | 49,368.95     |
| Percentage of Advances to twenty largest borrowers to Total Advance of the applicable NBFC | 42.64%        |

**Concentration of NPAs**

| Particulars                             | Amount (in ₹) |
|-----------------------------------------|---------------|
| Total exposure to top four NPA accounts | 145.35        |

**49. RETIREMENT BENEFITS PLAN****49.1 Gratuity**

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under The Payment of Gratuity Act, 1972.

**49.2 Details of defined benefit plans as per actuarial valuation:**

| Particulars                                                        | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>I. Amounts recognised in the Statement of Profit &amp; Loss</b> |                             |                             |
| Current service cost                                               | 8.32                        | 6.63                        |
| Net Interest cost                                                  | 2.28                        | 1.12                        |
| Past Service Cost                                                  | -                           | -                           |
| <b>Adjustment due to change in opening balance of Plan assets</b>  | <b>10.60</b>                | <b>7.75</b>                 |

(Amount in ₹ Lakhs, unless otherwise stated)

**49.2 Details of defined benefit plans as per actuarial valuation: (Contd.)**

| Particulars                                                                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>II. Amount recognised in Other Comprehensive income Remeasurement (gains)/losses:</b> |                             |                             |
| a) Remeasurement (gains)/losses                                                          | 2.10                        | 11.53                       |
| b) Return on plan assets, excluding interest income - Actuarial                          | (0.57)                      | (2.27)                      |
| <b>Total amount recognised in other comprehensive income</b>                             | <b>1.53</b>                 | <b>9.26</b>                 |
| <b>III. Changes in the defined benefit obligation</b>                                    |                             |                             |
| Opening defined benefit obligation                                                       | 56.97                       | 39.19                       |
| Current service cost                                                                     | 8.32                        | 6.63                        |
| Past service cost                                                                        |                             | -                           |
| Interest expense                                                                         | 4.01                        | 2.94                        |
| Remeasurement (gains)/losses                                                             | 2.10                        | 11.53                       |
| Benefits paid                                                                            | (1.26)                      | (3.32)                      |
| <b>Closing defined benefit obligation</b>                                                | <b>70.14</b>                | <b>56.97</b>                |
| <b>IV. Change in the fair value of plan assets during the year</b>                       |                             |                             |
| Opening Fair value of plan assets                                                        | 25.02                       | 24.25                       |
| Expected return on plan assets                                                           | 1.73                        | 1.82                        |
| Actual Benefits paid                                                                     | (1.26)                      | (3.32)                      |
| Return on plan assets, excluding interest income - Actuarial                             | 0.57                        | 2.27                        |
| <b>Closing Fair value of plan assets</b>                                                 | <b>26.06</b>                | <b>25.02</b>                |
| <b>V. Net defined benefit obligation</b>                                                 |                             |                             |
| Defined benefit obligation                                                               | 70.14                       | 56.97                       |
| Fair value of plan assets                                                                | (26.06)                     | (25.02)                     |
| <b>Surplus/(Deficit)</b>                                                                 | <b>44.08</b>                | <b>31.95</b>                |

**49.3 Actuarial assumptions and Sensitivity****I. Actuarial assumptions**

| Particulars                                   | Year ended<br>31 March 2025                    | Year ended<br>31 March 2024                    |
|-----------------------------------------------|------------------------------------------------|------------------------------------------------|
| Discount Rate (p.a.)                          | 6.39%                                          | 7.11%                                          |
| Attrition rate                                | 50.00%                                         | 42.00%                                         |
| Expected rate of return on plan assets (p.a.) | 6.39%                                          | 7.11%                                          |
| Rate of Salary increase (p.a.)                | 7.00%                                          | 8.00%                                          |
| Mortality rate during employment              | Indian Assured Lives Mortality (2012-14) Urban | Indian Assured Lives Mortality (2012-14) Urban |
| Mortality rate after employment               | N.A.                                           | N.A.                                           |

(Amount in ₹ Lakhs, unless otherwise stated)

**II. Sensitivity Analysis on benefit obligations**

| Particulars                                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|----------------------------------------------------------|-----------------------------|-----------------------------|
| Delta effect of +1% change in rate of discounting        | (1.03)                      | (0.81)                      |
| Delta effect of -1% change in rate of discounting        | 1.07                        | 0.85                        |
| Delta effect of +1% change in rate of salary increase    | 0.88                        | 0.68                        |
| Delta effect of -1% change in rate of salary increase    | (0.86)                      | (0.66)                      |
| Delta effect of +25% change in rate of employee turnover | (3.86)                      | (0.37)                      |
| Delta effect of -25% change in rate of employee turnover | 5.71                        | 0.38                        |

**III. Maturity profile of defined benefit obligation**

| Particulars                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------------------|-----------------------------|-----------------------------|
| 1 <sup>st</sup> Following year           | 32.88                       | 21.42                       |
| 2 <sup>nd</sup> Following year           | 23.19                       | 12.81                       |
| 3 <sup>rd</sup> Following year           | 8.62                        | 13.47                       |
| 4 <sup>th</sup> Following year           | 5.28                        | 5.37                        |
| 5 <sup>th</sup> Following year           | 3.53                        | 4.11                        |
| 6 <sup>th</sup> following year and above | 4.08                        | 6.81                        |

**49.4 Risks associated with Defined benefit obligation**

Gratuity is a defined benefit plan and Company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**Para 139 (c) Characteristics of defined benefit plans**

During the year there we no plan amendments, curtailments & settlements.

**Para 147 (a)**

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.



(Amount in ₹ Lakhs, unless otherwise stated)

**50. COMPARISON BETWEEN PROVISIONS REQUIRED UNDER IRACP AND IMPAIRMENT ALLOWANCES MADE UNDER IND AS 109****As at 31<sup>st</sup> March 2025**

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS 109 | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP | Difference between Ind AS 109 provisions |
|---------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------------------------|---------------------|----------------------------------|------------------------------------------|
| (1)                                   | (2)                                    | (3)                                     | (4)                                                       | (5)=(3)-(4)         | (6)                              | (7) = (4)-(6)                            |
| <b>Performing Assets</b>              |                                        |                                         |                                                           |                     |                                  |                                          |
| Standard                              | Stage 1                                | 1,13,020.32                             | 1,014.86                                                  | 1,12,005.46         | 452.08                           | 562.78                                   |
|                                       | Stage 2                                | 2,225.65                                | 212.04                                                    | 2,013.61            | 8.90                             | 203.14                                   |
| <b>Subtotal</b>                       |                                        | <b>1,15,245.97</b>                      | <b>1,226.90</b>                                           | <b>1,14,019.07</b>  | <b>460.98</b>                    | <b>765.92</b>                            |
| <b>Non-Performing Assets (NPA)</b>    |                                        |                                         |                                                           |                     |                                  |                                          |
| Sub-standard                          | Stage 3                                | 531.43                                  | 132.86                                                    | 398.57              | 53.14                            | 79.72                                    |
| Doubtful up to 1 year                 | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| Doubtful 1 to 3 years                 | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| More than 3 years                     | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| Subtotal for doubtful                 |                                        | -                                       | -                                                         | -                   | -                                | -                                        |
| Loss                                  | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| <b>Subtotal for NPA</b>               |                                        | <b>531.43</b>                           | <b>132.86</b>                                             | <b>398.57</b>       | <b>53.14</b>                     | <b>79.72</b>                             |
| <b>Total</b>                          | <b>Stage 1</b>                         | <b>1,13,020.32</b>                      | <b>1,014.86</b>                                           | <b>1,12,005.46</b>  | <b>452.08</b>                    | <b>562.78</b>                            |
|                                       | <b>Stage 2</b>                         | <b>2,225.65</b>                         | <b>212.04</b>                                             | <b>2,013.61</b>     | <b>8.90</b>                      | <b>203.14</b>                            |
|                                       | <b>Stage 3</b>                         | <b>531.43</b>                           | <b>132.86</b>                                             | <b>398.57</b>       | <b>53.14</b>                     | <b>79.72</b>                             |
|                                       | <b>Total</b>                           | <b>1,15,777.40</b>                      | <b>1,359.76</b>                                           | <b>1,14,417.64</b>  | <b>514.12</b>                    | <b>845.64</b>                            |

**As at 31<sup>st</sup> March 2024**

| Asset Classification as per RBI Norms | Asset classification as per Ind AS 109 | Gross Carrying Amount as per Ind AS 109 | Loss Allowances (Provisions) as required under Ind AS 109 | Net Carrying Amount | Provisions required as per IRACP | Difference between Ind AS 109 provisions |
|---------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------------------------|---------------------|----------------------------------|------------------------------------------|
| (1)                                   | (2)                                    | (3)                                     | (4)                                                       | (5)=(3)-(4)         | (6)                              | (7) = (4)-(6)                            |
| <b>Performing Assets</b>              |                                        |                                         |                                                           |                     |                                  |                                          |
| Standard                              | Stage 1                                | 91,057.56                               | 914.76                                                    | 90,142.80           | 364.23                           | 550.53                                   |
|                                       | Stage 2                                | 556.68                                  | 5.63                                                      | 551.05              | 2.23                             | 3.40                                     |
| <b>Subtotal</b>                       |                                        | <b>91,614.24</b>                        | <b>920.39</b>                                             | <b>90,693.85</b>    | <b>366.46</b>                    | <b>553.94</b>                            |
| <b>Non-Performing Assets (NPA)</b>    |                                        |                                         |                                                           |                     |                                  |                                          |
| Sub-standard                          | Stage 3                                | 382.50                                  | 164.90                                                    | 217.60              | 38.25                            | 126.65                                   |
| Doubtful up to 1 year                 | Stage 3                                | 23.93                                   | 10.32                                                     | 13.61               | 4.79                             | 5.53                                     |
| Doubtful 1 to 3 years                 | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| More than 3 years                     | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| Subtotal for doubtful                 |                                        | 23.93                                   | 10.32                                                     | 13.61               | 4.79                             | 5.53                                     |
| Loss                                  | Stage 3                                | -                                       | -                                                         | -                   | -                                | -                                        |
| <b>Subtotal for NPA</b>               |                                        | <b>406.43</b>                           | <b>175.21</b>                                             | <b>231.22</b>       | <b>43.04</b>                     | <b>132.18</b>                            |
| <b>Total</b>                          | <b>Stage 1</b>                         | <b>91,057.56</b>                        | <b>914.76</b>                                             | <b>90,142.80</b>    | <b>364.23</b>                    | <b>550.53</b>                            |
|                                       | <b>Stage 2</b>                         | <b>556.68</b>                           | <b>5.63</b>                                               | <b>551.05</b>       | <b>2.23</b>                      | <b>3.40</b>                              |
|                                       | <b>Stage 3</b>                         | <b>406.43</b>                           | <b>175.21</b>                                             | <b>231.22</b>       | <b>43.04</b>                     | <b>132.18</b>                            |
|                                       | <b>Total</b>                           | <b>92,020.67</b>                        | <b>1,095.61</b>                                           | <b>90,925.07</b>    | <b>409.49</b>                    | <b>686.11</b>                            |

51. RATINGS ASSIGNED BY CREDIT RATING AGENCIES AND MIGRATION OF RATINGS DURING THE YEAR

During the year the following ratings have been assigned to the Company

| Name of the rating agency | Amount | Rating                  | Type of facility | At the beginning of the year | Migration during the year | Remarks                                                                                                                                    |
|---------------------------|--------|-------------------------|------------------|------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Acuite Ratings & Research | 20,000 | A-  stable (Assigned)   | Bank Loan        | -                            | No                        | -                                                                                                                                          |
| Acuite Ratings & Research | 40,000 | A-  stable (Reaffirmed) | Bank Loan        | A-  stable outlook           | No                        | Out of 400 crores rating for loan amounting ₹ 300 crore got rated in March 2024. Further, the same was enhanced by 100 crore in July,2024. |

52. DERIVATIVES

The Company did not deal in derivatives during the FY 2024-25 and FY 2023-24, therefore no details are to be disclosed.

53. EXCHANGE TRADED INTEREST RATE (IR) DERIVATIVES

The Company has not traded in Exchange Traded Interest Rate Derivates during the current year & the previous year.

54. DISCLOSURES ON RISK EXPOSURE IN DERIVATIVES

The Company has no transactions/exposure in interest rate derivatives during FY 2024-25 and FY 2023-24.

55. ASSET LIABILITY MANAGEMENT MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES

| Maturity Pattern of Assets and Liabilities as at 31 March 2025 |                 |                   |                                   |                                  |                                   |                                 |                               |                              |             |
|----------------------------------------------------------------|-----------------|-------------------|-----------------------------------|----------------------------------|-----------------------------------|---------------------------------|-------------------------------|------------------------------|-------------|
| Particulars                                                    | 0 day to 7 days | 8 days to 14 days | 15 days to 30/31 days (One month) | Over one month and upto 2 months | Over two months and upto 3 months | Over 3 months and upto 6 months | Over 6 months and upto 1 year | Over 1 year and upto 3 years | Total       |
| Liabilities                                                    |                 |                   |                                   |                                  |                                   |                                 |                               |                              |             |
| Borrowings                                                     | 1,207.51        | 156.33            | 1,521.23                          | 2,635.24                         | 2,933.78                          | 9,345.22                        | 20,597.40                     | 29,273.13                    | 69,494.29   |
| Forigen Currency Liability                                     | -               | -                 | -                                 | -                                | -                                 | -                               | -                             | -                            | -           |
| Assets                                                         |                 |                   |                                   |                                  |                                   |                                 |                               |                              |             |
| Advances (Gross)                                               | 1,293.24        | 201.40            | 1,858.93                          | 2,726.47                         | 3,741.34                          | 9,496.70                        | 24,409.93                     | 50,648.72                    | 1,15,777.40 |
| Investments                                                    | -               | -                 | -                                 | -                                | -                                 | -                               | -                             | -                            | -           |

(Amount in ₹ Lakhs, unless otherwise stated)

(Amount in ₹ Lakhs, unless otherwise stated)

**56. DETAILS OF FINANCING OF PARENT COMPANY PRODUCTS**

The Company does not have any parent Company hence this disclosure is not applicable.

**57. DETAILS OF SINGLE BORROWER LIMIT (SGL)/GROUP BORROWER LIMIT (GBL) EXCEEDED BY THE NBFC**

The Company has not exceeded the prudential exposure limit during the current year and previous year.

**58. UNSECURED ADVANCES**

The Company has not granted any loans against collateral of intangible securities.

**59. PROVISIONS AND CONTINGENCIES****(a) Break up of 'Provisions and Contingencies' shown under the head expenditure in Statement of Profit and Loss**

| Particulars                                                                      | As at<br>31 <sup>st</sup> March 2025 | As at<br>31 <sup>st</sup> March 2024 |
|----------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Provision towards NPA - Recognised in Statement of Profit and Loss               | (42.35)                              | (16.85)                              |
| Provision for Standard Assets - Recognised in Statement of Profit and Loss       | 306.51                               | 191.85                               |
| Provision made towards Income tax - Recognised in Statement of Profit and Loss   | 2,484.43                             | 2,179.35                             |
| Provision made towards deferred tax - Recognised in Statement of Profit and Loss | (5.58)                               | 14.26                                |

**(b) Other provision and contingencies**

| Particulars                                                                     | As at<br>31 <sup>st</sup> March 2025 | As at<br>31 <sup>st</sup> March 2024 |
|---------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Provision for gratuity - Recognised in Statement of Profit and Loss             | 10.60                                | 7.75                                 |
| Provision for compensated absences - Recognised in Statement of Profit and Loss | -                                    | -                                    |

**(c) Provision towards NPA**

| Particulars                   | As at<br>31 <sup>st</sup> March 2025 | As at<br>31 <sup>st</sup> March 2024 |
|-------------------------------|--------------------------------------|--------------------------------------|
| Stage III                     | 132.86                               | 175.21                               |
| Provision for Standard Assets |                                      |                                      |
| Stage I                       | 212.04                               | 914.76                               |
| Stage II                      | 1,014.86                             | 5.63                                 |
| <b>Total Provision</b>        | <b>1,359.76</b>                      | <b>1,095.61</b>                      |

**60. DRAW DOWN FROM RESERVES**

The Company has not drawn any amount from the Reserves during the current year and previous year.

(Amount in ₹ Lakhs, unless otherwise stated)

**61. MOVEMENT OF NPAS****Net NPAs to Net Advances (%)**

| Particulars                                                                      | As at<br>31 <sup>st</sup> March 2025 | As at<br>31 <sup>st</sup> March 2024 |
|----------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Movement of NPAs (Gross)</b>                                                  |                                      |                                      |
| Opening balance                                                                  | 406.43                               | 447.35                               |
| Additions during the year                                                        | 1,249.75                             | 294.67                               |
| Reductions during the year                                                       | 1,124.75                             | 335.59                               |
| <b>Closing balance</b>                                                           | <b>531.43</b>                        | <b>406.43</b>                        |
| <b>Movement of Net NPAs</b>                                                      |                                      |                                      |
| Opening balance                                                                  | 231.22                               | 255.29                               |
| Additions during the year                                                        | 312.44                               | 127.03                               |
| Reductions during the year                                                       | 145.08                               | 151.10                               |
| <b>Closing balance</b>                                                           | <b>398.57</b>                        | <b>231.22</b>                        |
| <b>Movement of provisions for NPAs (excluding provisions on standard assets)</b> |                                      |                                      |
| Opening balance                                                                  | 175.21                               | 192.06                               |
| Provisions made during the year                                                  | 61.63                                | 49.29                                |
| Write-off/write-back of excess provisions                                        | 103.98                               | 66.14                                |
| <b>Closing balance</b>                                                           | <b>132.86</b>                        | <b>175.21</b>                        |

**62. OVERSEAS ASSETS (FOR THOSE WITH JOINT VENTURES AND SUBSIDIARIES ABROAD)**

The Company does not have any Joint Venture or Subsidiary abroad, therefore there are no details to be reported.

**63. OFF- BALANCE SHEET SPVS SPONSORED**

The Company does not have any Off- Balance sheet SPV, therefore there are no details to be reported.

**64. DISCLOSURE FOR PRIOR PERIOD ITEMS**

There are no prior period items which impacts current year profit and loss, hence no disclosure is required.

**65. DISCLOSURES IN ACCORDANCE WITH SCALE BASED REGULATIONS-AS PER MASTER DIRECTION – RESERVE BANK OF INDIA (NON-BANKING FINANCIAL COMPANY – SCALE BASED REGULATION) DIRECTIONS, 2023****(a) Sectoral Exposure**

| Sector                                                                | As at 31 March, 2025                                                                      |               |                                                                          | As at 31 March, 2024                                                                      |               |                                                                          |
|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------|
|                                                                       | Total Exposure<br>(includes<br>on balance<br>sheet and off-<br>balance sheet<br>exposure) | Gross<br>NPAs | Percentage<br>of Gross<br>NPAs<br>to Total<br>Exposure in<br>that sector | Total Exposure<br>(includes<br>on balance<br>sheet and off-<br>balance sheet<br>exposure) | Gross<br>NPAs | Percentage<br>of Gross<br>NPAs<br>to Total<br>Exposure in<br>that sector |
| <b>(I) Priority Sector</b>                                            |                                                                                           |               |                                                                          |                                                                                           |               |                                                                          |
| (a) Agriculture and allied activities                                 | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |
| (b) Advances to industries sector eligible as priority sector lending | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |
| (c) Services                                                          | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |

(Amount in ₹ Lakhs, unless otherwise stated)

**(a) Sectoral Exposure** (Contd.)

| Sector                                       | As at 31 March, 2025                                                                      |               |                                                                          | As at 31 March, 2024                                                                      |               |                                                                          |
|----------------------------------------------|-------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------------------|
|                                              | Total Exposure<br>(includes<br>on balance<br>sheet and off-<br>balance sheet<br>exposure) | Gross<br>NPAs | Percentage<br>of Gross<br>NPAs<br>to Total<br>Exposure in<br>that sector | Total Exposure<br>(includes<br>on balance<br>sheet and off-<br>balance sheet<br>exposure) | Gross<br>NPAs | Percentage<br>of Gross<br>NPAs<br>to Total<br>Exposure in<br>that sector |
| (d) Personal Loans                           | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |
| <b>Subtotal (I)</b>                          | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |
| <b>(II) Non-Priority Sector</b>              |                                                                                           |               |                                                                          |                                                                                           |               |                                                                          |
| (a) Agriculture and allied activities        | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |
| (b) Advances to industries (Micro and small) | 30,220.78                                                                                 | 531.43        | 1.76%                                                                    | 31,785.86                                                                                 | 406.43        | 1.28%                                                                    |
| (c) Services                                 | 80,226.88                                                                                 | -             | -                                                                        | 56,225.79                                                                                 | -             | -                                                                        |
| (d) Personal Loans                           | -                                                                                         | -             | -                                                                        | -                                                                                         | -             | -                                                                        |
| (e) Others (if any)                          | 5,329.74                                                                                  | -             | -                                                                        | 4,009.02                                                                                  | -             | -                                                                        |
| <b>Subtotal (II)</b>                         | <b>1,15,777.40</b>                                                                        | <b>531.43</b> |                                                                          | <b>92,020.67</b>                                                                          | <b>406.43</b> |                                                                          |
| <b>Grand Total</b>                           | <b>1,15,777.40</b>                                                                        | <b>531.43</b> | -                                                                        | <b>92,020.67</b>                                                                          | <b>406.43</b> | -                                                                        |

**(b) Intra-Group Exposure**

The Company does not have any intra-group exposure hence this disclosure is not applicable.

**(c) Unhedged Foreign Currency Exposure**

The Company does not have any unhedged foreign currency exposure hence this disclosure is not applicable.

**66.**

- (a) There is no restructuring of loan during the year and in the previous year accordingly as per Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI circular DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 (Resolution framework - 2.0) there is no disclosure made in the financial statements.
- (b) Pursuant to RBI circular RBI/2019-20/88 DOR. NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019, Liquidity Coverage

Ratio ("LCR") is not applicable as Company asset size is lower than INR 10,000 crore.

- (c) The Reserve Bank of India has issued Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 vide Circular No. RBI/DoR/2023-24/106, DoR.FIN.REC.No.45/03.10.119/2023-24 on 19 October 2023 ('Framework'). The Framework categorizes NBFCs in Base Layer (NBFC-BL), Middle Layer (NBFC-ML), Upper Layer (NBFC-UL) and Top Layer (NBFC-TL). The Company is classified under "Middle Layer" pursuant to the said Framework.
- (d) The Reserve Bank of India has issued Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 vide circular No. RBI/DoR/2023-24/106, DoR.FIN.REC.No.45/03.10.119/2023-24 in supersession of the Non-Banking Financial Company–Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016 and Non-Banking Financial Company–Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.



(Amount in ₹ Lakhs, unless otherwise stated)

**67. LOANS/ADVANCE TO DIRECTORS/KMP/RELATED PARTIES**

Details of Loans & advances to Directors/KMP/Related Parties either severally or jointly with any other person, that are:

- (a) repayable on demand or
- (b) without specifying any terms or period of repayment, are as follows:

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding as on 31.03.2025 | % to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding as on 31.03.2024 | % to the total Loans and Advances in the nature of loans |
|------------------|------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------|
| Promoters        | Nil                                                                          | Nil                                                      | Nil                                                                          | Nil                                                      |
| <b>Directors</b> |                                                                              |                                                          |                                                                              |                                                          |
| KMPs             | Nil                                                                          | Nil                                                      | Nil                                                                          | Nil                                                      |
| Related Parties  | Nil                                                                          | Nil                                                      | Nil                                                                          | Nil                                                      |

**68.** No proceedings have been initiated or pending against the Company for holding any benami property which is the subject matter under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**69.** During the year the Company has neither got registered nor satisfied any charge with ROC/MCA beyond the statutory period.

**70. DISCLOSURE OF COMPLAINTS**

Summary information on complaints received by the NBFCs from customers:

| Particulars                                           | Current Year |
|-------------------------------------------------------|--------------|
| Number of complaints pending at beginning of the year | 0            |
| Number of complaints received during the year         | 24           |
| Number of complaints disposed during the year         | 24           |
| Of which, number of complaints rejected by the NBFC   | 0            |
| Number of complaints pending at the end of the year   | 0            |

**71. FOREIGN EXCHANGE EARNINGS: EARNINGS IN FOREIGN EXCHANGE CLASSIFIED UNDER THE FOLLOWING HEADS**

| Particulars                                               | Current Year | Previous Year |
|-----------------------------------------------------------|--------------|---------------|
| a. Export of goods calculated on FOB basis:               | Nil          | Nil           |
| b. Royalty, know-how, professional and consultation fees: | Nil          | Nil           |
| c. Interest paid:                                         | Nil          | Nil           |
| d. Other income, indicating the nature thereof:           | Nil          | Nil           |

**72. TITLE DEEDS OF IMMOVABLE PROPERTY NOT HELD IN THE NAME OF COMPANY**

Details of immovable property not held in Company name (other than lease where Company is lessee)

| Relevant line item in the Balance sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | TD Holder- Promoter, Director or relative of P/D or employee of P/D | Property held since which date |
|-----------------------------------------|---------------------------------|----------------------|---------------------------------|---------------------------------------------------------------------|--------------------------------|
| Nil                                     | Nil                             | Nil                  | Nil                             | Nil                                                                 | Nil                            |

(Amount in ₹ Lakhs, unless otherwise stated)

**73.** The Company has not surrendered or disclosed any transaction, which was not recorded in the books of accounts, as income during the year in the tax assessments under the Income Tax Act, 1961.

**74.** Revaluation of Plant, Property and Equipment and Intangible Assets: No revaluation of Plant, Property and Equipment and Intangible Assets has been done during the year.

**75.** The Company has not been declared as willful defaulter by any banks/Financial Institution.

**76.** The Company has neither approved any scheme of arrangement nor has made any proposal for such arrangement.

**77.** The Company uses accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant

transactions recorded in the software except in certain components where the audit trail were not operating due to system limitations. The audit trail has been preserved by the Company as per the statutory requirements for record retention. Further at no instance the Audit Trail feature was tempered with.

**78.** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**79.** The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

**80.** There is no Securitization or assignment of loan during the current year or previous financial year.

**81.** Previous year figures have been regrouped/ rearranged wherever necessary to render them comparable with current year figures.

Notes 1 to 81 form an integral part of the Financial Statements

As per our Report of even date attached

**For S. P. Chopra & Co.**  
Chartered Accountants  
Firm Registration No. 000346N

FOR & ON BEHALF OF THE BOARD

**(Rohit Gupta)**  
Managing Director  
DIN: 00045077

**(Ashok Kumar Kathuria)**  
Director  
DIN: 01010305

**(Pawan K. Gupta)**  
Partner  
Membership No: 092529

**(Preeti Gupta)**  
Company Secretary  
M. No: FCS A43593

**(Naresh C. Varshney)**  
Chief Financial Officer

**Date:** 23 May, 2025  
**Place:** Noida



CSL Finance  
Limited

**REGISTERED OFFICE:**

410-412, 18/12, 4<sup>th</sup> Floor, W.E.A, Arya Samaj Road,  
Karol Bagh, New Delhi - 110005

**CORPORATE OFFICE:**

716-717, 7<sup>th</sup> Floor, Tower B, World Trade Tower,  
Sector 16, Noida, Uttar Pradesh-201301

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