



**CSL Finance
Limited**

CIN: L74899DL1992PLC051462

24th May, 2022

Department of Corporate Services/Listing
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai-400001

Script Code: 530067

Dear Sir/Ma'am,

Sub: Outcome of Board Meeting held on 24th May, 2022

1. In terms of Regulation 30 read with Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015, we would like to inform you that the Board of Directors of the Company in its meeting held today i.e., Tuesday, 24th May, 2022, which commenced at 4:00 pm and concluded at 5:00 pm, inter alia, considered and approved;
 - (a) The Audited Financial Results of the Company for the quarter and the year ended 31st March, 2022;
 - (b) Recommended a final dividend @25% i.e., Rs. 2.50/- (Rupees Two and Fifty Paise only) per equity share of face value of Rs.10/- each (which is 75% per equity share pre bonus issue) for the financial year ended 31st March, 2022. The said dividend, if approved by the members of the Company at the ensuing Annual General Meeting, shall be credited/dispensed to the shareholders within 30 days of declaration and any further information in this regard including record date etc. shall be given to the stock exchange in due course.
2. A copy of the above referred financial results including Statement of Assets and Liability and Cash Flow statements alongwith the Auditors Report(s) thereon given by M/s Aggarwal & Rampal, Chartered Accountants, Delhi, Statutory Auditors of the Company, are enclosed herewith.

The Reports of Auditors are self-explanatory with unmodified opinion with respect to the Audited Financial Results of the Company for the fourth quarter and financial year ended 31st March 2022.
3. Investors Presentation on such financial results shall be shared separately with the stock exchange.



4. This disclosure alongwith the enclosures shall be made available on the website of the Company viz. www.csfinance.in

We request you to kindly take the above information on your record.

Thanking you

Yours faithfully

For **CSL Finance Limited**

Preeti Gupta

Preeti Gupta

(Company Secretary & Compliance Officer)



Encl: a/a



**CSL Finance
Limited**

CSL FINANCE LIMITED

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Statement of Audited Financial Results for the Quarter and year ended 31st March 2022

Particulars	Quarter Ended			Year Ended	Year Ended
	31-Mar-22	31-Dec-21	31-Mar-21	31-Mar-22	31-Mar-21
	Audited	Un-audited	Audited	Audited	Audited
Revenue from operations					
Interest Income	1934.57	1,681.46	1,587.04	6,766.48	5,918.04
Fees and commission income	187.28	184.96	103.27	462.23	238.94
Recoveries of financial assets written off	182.18	26.60	5.91	233.83	10.33
(I) Total Revenue from operations	2,304.03	1,893.01	1,696.22	7,462.54	6,167.31
(II) Other Income	4.58	2.23	11.06	17.37	18.65
(III) Total Income (I+II)	2,308.61	1,895.24	1,707.28	7,479.91	6,185.96
Expenses					
Finance Costs	402.75	263.70	194.17	1,074.96	706.80
Fees and commission expense	23.58	-	9.62	23.58	20.53
Impairment on financial instruments	65.05	25.78	101.36	371.64	482.99
Employees Benefit Expenses	279.47	235.59	126.94	930.98	646.00
Depreciation, amortization and impairment	18.72	17.05	14.89	65.56	61.16
Other Expenses	116.22	168.32	84.61	537.76	332.47
(IV) Total Expenses	905.79	710.43	531.59	3,004.48	2,249.94
(V) Profit/(loss) before tax (III-IV)	1,402.82	1,184.80	1,175.69	4,475.43	3,936.02
Tax Expense:					
Current Tax	371.10	313.57	282.62	1,166.11	1,156.66
Deferred Tax expense (income)	-35.75	4.43	14.91	-35.62	26.57
(VI) Income Tax Expense	335.35	318.00	297.53	1,130.49	1,183.23
(VII) Profit/(loss) after tax (V-VI)	1,067.47	866.80	878.16	3,344.94	2,752.79
Other Comprehensive Income					
Items that will not be reclassified to profit & loss	-	-	-	-	-
(i) Remeasurement of the gain/(loss) of defined benefit plan	6.70	-	10.97	6.70	10.97
(ii) Tax on above	-1.69	-	-2.76	-1.69	-2.76
(VIII) Other Comprehensive Income	5.01	-	8.21	5.01	8.21
(IX) Total Comprehensive Income for the period (VII+VIII)	1,072.48	866.80	886.37	3,349.95	2,761.00
(X) Earning per Equity Share					
Basic	5.69	4.71	4.79	17.86	15.07
Diluted	5.66	4.67	4.78	17.75	15.04

For CSL Finance Ltd.

Managing Director

Notes:

1. The above audited Financial results for the quarter and year ended March 31, 2022, have been reviewed by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on 24-05-2022.
2. The above financial results have been prepared in accordance with recognition and measurement principles laid down in the Ind-AS 34 "Interim Financial Reporting" notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and the other accounting principles generally accepted in India.
3. The Company has opted for the concessional rate of income tax in accordance with the Section 115BAA of the income Tax Act 1961 from the Assessment Year 2020-21 onwards.
4. The listed Non-Convertible Debt Securities of the Company as on 31st March'22 are secured by way of hypothecation over standard present and future receivables. The total assets cover required thereof has been maintained as per the terms and conditions stated in the Debenture Trust Deed.
5. During the year ended March 31, 2022 the company has issued bonus shares in the ratio of 2:1 (i.e. 1,23,38,414 equity shares of Rs 10/- each fully paid up) & the Earnings per share for earlier period has been adjusted accordingly.
6. The Company at its meeting held on 12th January, 2022 has granted 4,00,000 stock options to the Employees of the Company under the CSL Employees Stock Option Scheme, 2016.
7. During the year ended 31 March 2022, the Board of Directors have recommended a dividend @ 25% per equity share of Rs 10/- (which is 75% per equity share pre bonus issue) subject to approval of members at the ensuing Annual General Meeting.
8. The Board in its meeting held on January 12, 2022 had approved the raising of funds through issue of 18,25,000 equity shares on preferential basis, fully paid-up, at the price of Rs. 160 per Equity Share (including a premium of Rs. 150 per Equity Share), aggregating up to Rs. 29.20 crores and 350,000 Warrants aggregating to Rs. 5.60 crores exercisable (convertible) in one or more tranches, anytime within period of eighteen months into equal number of equity shares of face value of Rs. 10/- each of the Company on a preferential basis for cash. Further, there are no material deviations in the use of the proceeds from the issue of 1825000 equity share on preferential basis.
9. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. The Central Government on 30th March 2021 has deferred the implementation of the said Code and the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will account for the related impact in the period the Code becomes effective.
10. The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.
11. The compliance related to disclosure of certain ratios and other financial information as required under Regulation 52(4) of Listing Regulations in made in Annexure-1
12. The figures for the quarter ended March 31, 2022 and the quarter March 31, 2021 are the balancing figures between audited figures in respect of the year ended March 31, 2022 and March 31, 2021 and the unaudited figures of the nine months ended December 31, 2021 and December 31, 2020 respectively.
13. Figures for the previous periods have been regrouped, wherever necessary, to make them comparable with the current period.

For and on behalf of the Board of Directors

For CSL Finance Ltd.



Managing Director

(Rohit Gupta)

Managing Director

DIN: 00045077

Date : 24-05-2022

Place: New Delhi

Annexure-1

CSL FINANCE LIMITED

As at 31st March 2022

Disclosures in compliance with Regulations 52(4) & 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and year ended March 31, 2022

a) Asset Cover Available:

The Asset cover of 125% of book debts has been provided by the company for the Non-Convertible Debentures of INR 40 crores.

b) Debt-Equity ratio¹	0.64
c) Debenture redemption reserve	INR 12 cr
d) Net worth	INR 321.49 crores
e) Net profit after tax:	INR 33.45 crores
f) Earnings Per Share:	
Basic	23.25
Diluted	23.07
g) Current ratio²	Not Applicable
h) Long term debt to working capital ratio²	Not Applicable
i) Bad debts to account receivable ratio²	Not Applicable
j) Current Liability ratio²	Not Applicable
k) Total debt to total assets³	38.36%
l) Debtors Turnover²	Not Applicable
m) Inventory Turnover²	Not Applicable
n) Operating Margin (%)²	Not Applicable
o) Net Profit margin (%)⁴	44.72%
p) Sector Specific equivalent ratio such as	
• CAR	63.82%
• GNPA	1.73%
• NNPA	0.96%
• PCR ratio	101.67%

For CSL Finance Ltd.


Managing Director

- q) There are no material deviations in the use of proceeds from the issue of Non-convertible debt securities.

For and on behalf of the Board of Directors
For CSL Finance Ltd.



Managing Director

(Rohit Gupta)
Managing Director

DIN: 00045077
Date : 24-05-2022
Place: New Delhi

Note:

1. Debt Equity Ratio= Debt Securities+Borrowings(other than debt securities)/Net Worth
2. The company is registered under Reserve Bank of India Act 1934, as Non-Banking Financial Company, hence these ratios are not applicable
3. Total Debts to Total Assets= Debt Securities+Borrowings(other than debt securities)/Total Assets
4. Net profit Margin=Net Profit after tax/Total Income

CSL Finance Limited		
Balance Sheet as at 31st March 2022		
(Amount in INR lacs, unless otherwise stated)		
Particulars	As at 31 March 2022	As at 31 March 2021
ASSETS		
Financial Assets		
Cash and cash equivalents	1,302.54	1,762.24
Bank Balance other than cash and cash equivalents	330.35	327.84
Loans	50,784.57	32,170.14
Other Financial assets	78.04	51.79
Non-financial Assets		
Deferred tax Assets (Net)	116.69	82.76
Investment property	13.71	14.00
Property, plant and equipment	437.75	141.89
Goodwill		
Intangible assets under development	17.44	-
Other Intangible assets	0.09	0.26
Right-of-use assets	129.90	145.94
Other non-financial assets	12.05	56.08
Total Assets	53,223.14	34,752.93
LIABILITIES AND EQUITY		
LIABILITIES		
Financial Liabilities		
Payables		
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Debt Securities	4,196.48	4,211.17
Borrowings	16,220.10	4,049.24
Lease liabilities	164.79	175.16
Other financial liabilities	229.59	175.99
Non-Financial Liabilities		
Current tax liabilities (Net)	144.60	201.70
Provisions	50.37	2.32
Deferred tax liabilities (Net)		
Other non-financial liabilities	67.71	17.73
EQUITY		
Equity Share Capital	2,030.34	613.34
Other Equity	30,119.15	25,306.28
Total Liabilities and Equity	53,223.14	34,752.93

For CSL Finance Ltd.

 Managing Director

CSL Finance Limited		
Statement of Cash Flows for the year ended 31 March 2022		
(Amount in INR lacs, unless otherwise stated)		
Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Cash Flow From Operating Activities:		
Profit / (Loss) before Tax	4,475	3,936
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization on Property, Plant & equipment	36.67	30.18
Depreciation on Right-of-use Asset	28.89	30.98
Interest accretion on lease liabilities	17.09	18.43
Unamortised Cost on Borrowings	58.35	211.17
(Profit)/Loss on Investments (mutual funds)	-	(0.39)
(Profit)/Loss on Sale of Property, Plant and Equipment (Net)	0.43	(1.57)
Share based payment expenses	-	(21.11)
(Profit)/Loss on termination of lease	(0.22)	(0.77)
Interest income on unwinding of security deposits	(0.47)	(0.49)
Operating Profit/Loss before Working Capital changes	4,616.17	4,202.45
Adjustments for changes in Working Capital :		
Loans	(19,390.5)	(1,073.8)
Other Financial assets	(26.1)	9.1
Bank Balance other than cash and cash equivalents	(0.6)	(17.7)
Other non-financial assets	44.0	51.8
Other financial liabilities	50.5	57.6
Other non-financial liabilities	50.0	(1.3)
Provisions	48.1	5.1
Cash Generated From / (Used in) from Operations	(14,608.56)	3,233.32
- Taxes (Paid) / Refunds (Net)	(1,223.21)	(1,008.87)
Net Cash Generated From / (Used) in Operating Activities	(15,831.76)	2,224.45
Cash Flow From Investing Activities:		
Purchase of Property, plant and equipment and intangible assets	(356.25)	(27.07)
Sale of Property, Plant and Equipment and Intangible assets	6.31	3.73
Purchase of investments (Mutual funds)	-	(850.00)
Sale of investments	-	850.39
Net Cash Generated From/ (Used in) Investing Activities	(349.94)	(22.95)
Cash Flow From Financing Activities:		
Borrowings other than debt securities issued	12,243.90	(1,543.21)
Equity share capital issued (Including premium)	3,700.00	78.92
Repayment of lease liabilities	(22.86)	(23.00)
Payment of interest on lease liabilities	(17.09)	(18.43)
Dividend paid (Including DDT)	(181.94)	(148.87)
Net Cash Generated from / (Used in) Financing Activities	15,722.01	(1,654.58)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(459.70)	546.92
Cash and Cash Equivalents at the Beginning of the Year	1,762.24	1,215.32
Cash and Cash Equivalents at the end of the Year	1,302.54	1,762.24
Cash and Cash Equivalents at the end of the Year comprises of	31 March 2022	31 March 2021
Cash in hand	3.31	3.85
Balances with Banks in Current Accounts	1,299.24	1,758.39
TOTAL	1,302.54	1,762.24

For CSL Finance Ltd.



Managing Director

Independent Auditors' Report on Standalone Annual Financial Results of The CSL Finance Limited pursuant to Regulation 33 and Regulation 52 Read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF

CSL Finance Limited

We have audited the quarterly & year to date financial results of The CSL Finance Limited (hereinafter referred to as the "Company") for the year ended 31 March 2022, being submitted by the company pursuant to the requirement of Regulation 33 and Regulation 52 Read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These Quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

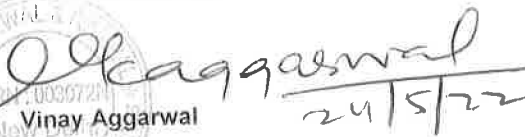
In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- are presented in accordance with the requirements of Regulation 33 and Regulation 52 Read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- give a true and fair view of the net profit and other financial information for the quarter ended 31 March, 2022 as well as the year to date results for the period from 01 April, 2021 to 31 March, 2022.

For Aggarwal & Rampal

Chartered Accountants

FRN No.: 003072N


Vinay Aggarwal
(Partner)
Membership No: 082045
UDIN: 22082045AJMPFY5811

Place: New Delhi

Date: May 24, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of **CSL FINANCE LIMITED**

Report on the Audit of the Financial Statements**Opinion**

We have audited the financial statements of **CSL FINANCE LIMITED** ("the Company"), which comprises of the Balance Sheet as at 31st March 2022, the statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements including a summary of significant 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2022, and profit and other comprehensive income, changes in equity and its cash flows and 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 Companies Act, 2013. 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 Companies Act, 2013 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 Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Key Audit Matter	How the Matter was Addressed in our Audit
Impairment of loans to customers- refer notes 3.6 and 29 to the financial statements	
<p>Recognition and measurement of impairment of loans involve significant management judgement.</p> <p>Under Ind AS 109 Financial instruments, allowances of loan losses are determined using expected credit loss (ECL) model. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, 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.</p> <p>The determination of impairment loss allowance is inherently judgement and relies on the management's best estimate due to the following:</p> <ul style="list-style-type: none"> • Segmentation of loans given to the customers • Criteria selected to identify significant increase in credit risk, given to eligible 	<p>In view of the significance of the matter, the following key audit procedures were performed by us:</p> <ul style="list-style-type: none"> • Evaluation of the appropriateness of the impairment principles used by the management based on the requirements of Ind AS 109. • Assessed the design and implementation and operating effectiveness in respect of computation of impairment loss allowance process. • Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings. • We have engaged our modelling specialist to test the model methodology and reasonableness of



<p>borrowers as per the Company's board approved policy, read with the RBI Covid 19 Regulatory Package.</p> <ul style="list-style-type: none"> • Increased level of data inputs for capturing the historical data to calculate the Probability of Default (PDs), Loss Given Default (LGD) and Exposure of Default (EAD). • Use of management of overlay for considering the forward looking macro-economic factors, economic environment and timing of cash flows. <p>The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often used outside the control of the Company.</p>	<p>assumptions used in the computation.</p> <ul style="list-style-type: none"> • Performed test of details, on a sample basis, on underlying data relating to segmentation, staging and other key inputs for computation of ECL.
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Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

