

To,
The Board of Directors
CSL Finance Limited
 716-717, 7th Floor, Tower B,
 World Trade Tower, Sector – 16,
 Noida, UP – 201 301, India

Subject : Addendum to the Valuation Report dated June 26, 2023, submitted in the matter of Valuation Analysis of Equity Shares of CSL Finance Limited as per SEBI (ICDR) Regulations.

Dear Sir / Ma'am,

This is with reference to the Valuation Report dated June 26, 2023, Ref. No: CPV/RV/2023-24/011, issued by us to your good office, for determination of minimum issue price in terms of Regulation 166A read with Regulation 164 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018 and submission of same with the Stock Exchanges for approval purposes.

Pursuant to the clarification sought by BSE Limited (BSE), we have been requested for issuance of an Addendum to the above-mentioned Valuation Report, as issued by us, working of all the 3 Methods of valuation, for the above said valuation purpose.

The following table presents an overview of all the methods that were considered for the fair valuation of CSL Finance Ltd, as per the request of BSE Ltd.

NET ASSETS VALUE (NAV) METHOD:

Net Assets Value	
Particulars	Amount (INR Million)
Equity Share Capital	202.38
Other Equity	3,422.81
Equity Value	3,625.20
Add: Money pending against Share Warrants	42.00
Adjusted Equity Value	3,667.20

COMPARABLE COMPANIES MULTIPLES (CCM) METHOD

As per Price to Book Value Multiple	
Particulars	Amount (INR Million)
Book Value	3,625.20
Industry Multiple (Peers) Median	1.38
Equity Value	5,002.77
Add: Money pending against Share Warrants	42.00
Adjusted Equity Value	5,044.77

DISCOUNTED FREE CASH FLOW TO EQUITY (DFCE) METHOD

Free Cash Flow Equity Analysis – CSL Finance Ltd						
Ke :	20.16%	Amount In INR Million				
Growth Rate :	5%					
FY	2024	2025	2026	2027	2028	Terminal
Particulars						
Revenue from Operations	1,608.48	2,054.03	2,348.27	2,878.78	3,421.82	
Other Income	13.24	17.13	20.05	22.14	26.55	
EBT (Excluding Other Income)	799.17	972.28	1,082.64	1,347.20	1,564.48	
Less: Direct Taxes Paid	201.13	244.70	272.48	339.06	393.75	
Profit Attributable to Equity Shareholders	598.03	727.58	810.16	1,008.14	1,170.73	
Add: Depreciation	9.00	11.60	14.67	18.26	22.53	
Less: Capital Expenditure	9.12	21.50	25.13	28.91	33.88	
Less: Non-Cash Working Capital	-	-	-	-	-	
Add: Net Borrowings	-	-	-	-	-	
Free Cash Flows to Equity	597.91	717.67	799.71	997.50	1,159.38	8,106.94
Discounting Factor (Mid-year Discounting)	0.91	0.76	0.63	0.53	0.44	0.44
Present value of Cash flow	545.44	544.84	505.25	524.46	507.29	3,547.20
Equity Value	6,174.48					
Add: Cash & Cash Equivalents	224.08					
Add: Deferred Tax Asset	11.72					
Add: Investment in Property	1.34					
Add: Money pending against Share Warrants	42.00					
Adjusted Equity Value	6,453.62					

COMPUTATION OF FAIR VALUE

Fair Value - CSL Finance Ltd				
All Amount INR Million				
Approach Applied	Methodology Applied	Weight	Equity Value	Weighted Average Equity Value
Asset	Net Asset Value (Book Value)	0.00%	3,667.20	-
Market	Comparable Companies Multiples	40.00%	5,044.77	2,017.91
Income	Discounted Cash Flow	60.00%	6,453.62	3,872.17
Weighted Average Equity Value per Stock as on 23.06.2023				5,890.08
No. of Diluted Equity Shares				21,082,621.00
Value per Equity Share (INR)				279.38

Based on our analysis of the Company and subject to our comments and caveats as further detailed in this report, we have arrived at the fair value of equity of the Company & Value per equity share at INR 5,890.08 million & INR 279.38/- as on 23rd June, 2023.

It shall be noted that all other particulars and details as mentioned in the Valuation Report dated June 26, 2023, shall remain unchanged. This Addendum shall be read in conjunction with our Valuation Report Dated June 26, 2023.

**For Corporate Professionals Valuation Services Private Limited
Registered Valuer (IBBI)
Registration No. IBBI/RV-E/02/2019/106**

**Sanchit Vijay
(Director)**

**Place : New Delhi
Date : July 14, 2023**