

CSA Investments Private Limited

April 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Non-convertible debentures	5.00	CARE B; Stable	Reaffirmed
Non-convertible debentures	50.00	CARE B; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings for the instruments of CSA Investments Private Limited (CIPL) is constrained by limited track record, small scale of operations, weak profitability and negative net worth. However, CARE Ratings Limited (CARE Ratings) notes the company has raised ₹2.66 crore in Q4 FY2025 and plans to further raise ₹5.00 crore in H1 FY2026. Material delay in the capital raise plan and/ or achieving break even in profitability will be detrimental for its credit profile.

Ratings, on the other hand, derives comfort from experienced management. The company's ability to improve profitability while increasing the scale of operations would remain key rating sensitivities.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant improvement in its net worth.
- Sizeable scale of operations.
- Improvement in profitability.

Negative factors

- Stretching/weakening of liquidity.
- Inability to raise the required capital timely.
- Inability to turn profitable in H1FY26.

Analytical approach:

Consolidated, factoring in operational and financial linkages with subsidiaries and associates. List of subsidiaries/associates consolidated is presented in **Annexure 6**.

Outlook: Stable

The stable outlook factors in CARE Ratings Limited's (CARE Ratings') expectation that CIPL will be able to grow and scale up the operations in the near-to-medium term.

Detailed description of key rating drivers:

Key weaknesses

Limited track record with small scale of operations

CIPL was incorporated on January 07, 2022, and hence, has a limited track record with small scale. The company invests and trades in the equity market, forex, derivatives and other fixed income products and had an investment/asset portfolio of ₹13.6 crore as on December 31, 2024.

Weak profitability

In FY2024, the company reported a net loss of ₹ 1.53 crore against net loss of ₹ 0.95 crore for FY23 and ₹ 0.03 crore for FY22. CIPL reported loss in 9MFY25 as well and hence, had a negative net worth of ₹ 2.09 crore as on December 31, 2024. The loss reported in 9M FY2025 can be attributed to sizable increase in employee expenses and unfavourable market conditions in this period. Going forward, the company's ability to achieve economies of scale and subsequently break even remain a key rating monitorable.

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Revenue depends on capital market instruments:

CIPL's major source of revenue is from investing and trading in stock market, reflecting limited revenue diversification. Given the proprietary trading activities are exposed to market volatility, the earnings profile becomes highly sensitive to market movements. CARE Ratings expects the proprietary trading income to continue to be a major revenue contributor.

Key strengths

Experienced management

Chiranshu Arora is CIPL's Managing director. He possesses experience of ~12 years in the financial services industry ranging from investment banking, wealth management, fund management, equity research and stock broking operations. Shristi Rajpurohit is CIPL's company secretary and compliance officer. She has garnered valuable experience in diverse sectors. Her knowledge extends to regulatory frameworks, including SEBI and other statutory compliances. Sunny Dhiman, the company's chief financial officer holds a decade-long expertise in finance and accounts.

Liquidity: Poor

The company has cash and bank balance of ₹1.05 crore as on March 19, 2025. However, the company has been mainly reliant on equity support and debt funded operations to fund opex requirements. The company has monthly interest obligations of ~0.09 crore.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Investment Holding Companies](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Investment company

CIPL was incorporated on January 07, 2022. The company invests and trades in the equity market, forex, derivatives and other fixed income products. It had a portfolio of ₹13.6 crore as on December 2024. Chiranshu Arora, CIPL's managing director, possesses an extensive 11-year experience in the financial services industry.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25 (UA)
Total operating income	0.36	0.09	0.06
PAT	-0.95	-1.53	-3.25
Total Assets	4.60	5.10	13.63
RONW (%)	-250.00	-392.31	-112.07
PAT margin (%)	-263.89	-1619.05	-5686.34

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA:

Not applicable

Any other information:

Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Debentures-Non-convertible debentures	INE0LWH07054	30-Apr-2024	14.25	29-Apr-2026	4.00	CARE B; Stable
Debentures-Non-convertible debentures	NA*	-	-	-	1.00	CARE B; Stable
Debentures-Non-convertible debentures	INE0LWH08011	03-Jul-2024	17.46	02-Jul-2028	5.00	CARE B; Stable
Debentures-Non-convertible debentures	INE0LWH07062	13-Aug-2024	12.00	12-Feb-2026	5.00	CARE B; Stable
Debentures-Non-convertible debentures	NA*	-	-	-	40.00	CARE B; Stable

*proposed/not yet placed

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Debentures-Non-convertible debentures	LT	5.00	CARE B; Stable	1)CARE B; Stable (25-Jun-24)	1)CARE B; Stable (20-Mar-24)	-	-
2	Debentures-Non-convertible debentures	LT	50.00	CARE B; Stable	1)CARE B; Stable (25-Jun-24)	-	-	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non-convertible debentures	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	CSAIPL Stock Broking Private Limited (CSBPL)	Full	Wholly owned subsidiary
2	CISFIN Asset Management Private Limited (CAMPL)	Full	Wholly owned subsidiary
3	CSAIPL AIF Fund Management Private Limited (CAF MPL)	Full	Associate company

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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