



S. K. MEHTA & Co.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Progfin Private Limited Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of Progfin Private Limited ("the Company"), which comprise the Balance sheet as at 31st March, 2024 the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of 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") 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 31st March, 2024, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 audit opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information does not include the financial statements and our auditor's report thereon. The other information 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 do not and 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 other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management, if required.

Responsibility of Management 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 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. 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.

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 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of change 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 specified in section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 2**" to this report;

(g) The provisions of section 197 of the Act read with Schedule V of the Act are not applicable to the Company for the year ended 31st March, 2024 being Private Limited Company;

(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:

3. i. The Company doesn't have any impact of pending litigations as at 31 March 2024 on its financial position in its financial statements.



ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented to us that, to the best of its knowledge and belief, no funds 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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 also represented to us, to the best of its knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to 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 such audit procedures that were 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) contain any material misstatement.

v) The Company has not declared or paid any dividend for the Financial Year 2023-24, hence compliance under section 123 of the Companies Act, 2013 is not applicable to the Company.

vi) Based on our examination which included test checks, the company has used an 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For S.K. Mehta & Co.

Chartered Accountants

Firm's Registration Number: 000478M

CA Alok Kumar

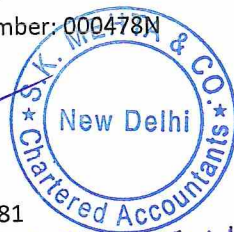
Partner

Membership No. 503781

UDIN: 24503781BKHIWK1688

Place of Signature: New Delhi

Dated: 24/09/2024



ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Progfin Private Limited ("the Company")

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1 a (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have Intangible Assets, therefore paragraph i (B) of Order is not applicable

b) As explained to us, Property, Plant & Equipment have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us, no immovable properties are held in the name of the Company as at the balance sheet date. Hence, paragraph i(C) of the Order is not applicable to the company.

d) According to information and explanations given to us and books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment during the year. The Company does not have Intangible Assets during the year.

(e) No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988.

(ii)(a) The Company's business does not involve inventories and, accordingly, paragraph 3(ii) (a) of the Order is not applicable to the Company and hence not commented upon.

(b) In our opinion and according to the information and explanations given to us, during the year, the company has been sanctioned working capital limits in excess of INR 5 crore on the basis of security of current assets. The quarterly returns or statements filed by the company with the banks & financial institutions are in agreement with the books of account of the company.

(iii) (a) Since the Company's principal business is to give loans, accordingly, paragraph 3(iii)(a) of the Order is not applicable to it.

(b) The Company, being a Non-Banking Financial Company ('NBFC') is registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, and the terms and conditions of the grant of all loans during the year are, prima facie, not prejudicial to the Company's interest. Based on our audit procedures, according to the information and explanation made available to us, during the year, Company has not made investments, given any advances in the nature of loans (other than those provided in normal course of business), provided guarantees, or given security.

(c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/ Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note - 41 to the financial Statements for summarized details of such loans/advances which are not repaid by borrowers as per stipulations.



(d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note - 41 to the financial Statements for summarized details of such loans which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are taken by the Company for recovery thereof.

(e) Since the Company's principal business is to give loans, accordingly, paragraph 3(iii)(e) of the Order is not applicable to it.

(f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year to Promoters, Related Parties as defined in clause (76) of section 2 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), accordingly, paragraph 3(v) of the Order is not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other material statutory dues applicable to it. The provisions relating to employees' state insurance, sales tax, duty of customs and duty of excise are currently not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of any material statutory dues were outstanding, as at 31 March 2024, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no disputed statutory dues outstanding relating to the company, as at 31st March 2024.

(viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we have not come across any transactions not recorded in the books of account which 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) In our opinion 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 thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets.



(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilized for long-term purposes by the Company.

(e) Company does not have any subsidiary, associate or joint venture accordingly, paragraph 3(ix) (e) of the Order is not applicable.

(f) Company does not have any subsidiary, associate or joint venture accordingly, paragraph 3(ix) (f) of the Order is not applicable.

(x) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the current financial year, therefore, reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records 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, accordingly, paragraph 3(x)(b) of the Order is not applicable.

(xi) (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company or on the Company has been noticed or reported during the year.

(b) No report is filed by the auditors under sub-section (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company; accordingly, paragraph 3(xii) of the Order 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 Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) In our opinion, the company has an internal audit system which is adequate having regard to the size & nature of its business.

b) As per the provision of the Companies Act, internal audit is not applicable therefore the paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India.



(d) As per information provided in course of our audit, the Group to which the Company belongs has no CIC 's as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.

(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 during the year. Therefore, paragraph 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in the notes to the Financial statements which describe the maturity analysis of assets & liabilities, 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 the 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) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not covered under section 135(1) of The Companies Act, 2013. Accordingly, paragraph 3(xx)(a) of the Order is not applicable.

(b) (xx) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not covered under section 135(1) of The Companies Act, 2013. Accordingly, paragraph 3(xx)(b) of the Order is not applicable.

For S.K. Mehta & Co.

Chartered Accountants

Firm's Registration Number: 000478N

CA Alok Kumar

Partner

Membership No. 503781

UDIN: 24503781BKHIWK1688

Place of Signature: New Delhi

Dated: 24/09/2024



ANNEXURE 2 REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PROGFIN PRIVATE LIMITED

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 Progfin Private Limited (“the Company”) as of March 31, 2024 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 Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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. 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 the 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 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 these 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 with reference to these 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 these 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 auditor’s 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 internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company’s internal financial control with reference to these 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 these 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 these Financial Statements

Because of the inherent limitations of internal financial controls with reference to these 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 these financial statements to future periods are subject to the risk that the internal financial control with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these Financial statements and such internal financial controls with reference to these Financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements 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.

For S.K. Mehta & Co.

Chartered Accountants

Firm's Registration Number: 000478N

CA Alok Kumar
Partner

Membership No. 503781

UDIN: 24503781BK HIWK1688

Place of Signature: New Delhi

Dated: 24/09/2024



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Balance Sheet as at 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Financial assets			
Cash and Cash Equivalents	4	2,404.05	7,146.00
Bank Balances other than Cash and Cash Equivalents	5	543.29	-
Loans	6	1,12,014.47	34,462.50
Other Financial Assets	7	2,291.60	751.94
Non Financial Assets			
Current Tax Assets (Net)	8	116.02	-
Deferred Tax Assets (Net)	9	291.44	40.34
Property, Plant and Equipment	10	37.33	-
Other Non Financial Assets	11	459.86	20.74
Total Assets		1,18,158.06	42,421.52
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Payables			
A. Trade Payables			
(i) Total Outstanding dues of Micro Enterprises and Small Enterprises	12	2.71	-
(ii) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	12	24.53	162.86
Borrowings (other than debt securities)	13	58,733.08	8,949.51
Other Financial Liabilities	14	6,830.81	3,306.30
Non Financial Liabilities			
Provisions	15	172.87	6.33
Current Tax Liability (Net)	8	-	154.39
Other Non Financial Liabilities	16	362.88	38.52
Equity			
Equity Share Capital	17	3,409.06	2,015.73
Other Equity	18	48,622.12	27,788.18
Total Liabilities and Equity		1,18,158.06	42,421.52

Material accounting policy information 2

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N

CA Alok Kumar
Partner

Membership No.: 50378

Place: Delhi 245037818KHIWK1688
Date: 24/09/2024

For and on behalf of the Board of the Directors of
**PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS
HYTONE HOLDINGS PRIVATE LIMITED)**

Palak Shrivastava
Director

DIN- 07677898

Place: Delhi

Date: 24/09/2024

Hiranshu Chandra
Director

DIN- 07315578

Place: Delhi

Date: 24/09/2024

Sushil N. Thaker
Company Secretary
Membership No.: A58600
Place: Delhi
Date: 24/09/2024



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Statement of Profit and Loss for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations			
Interest Income	19	10,749.80	861.26
Total Revenue from operations		10,749.80	861.26
Other income	20	120.00	118.29
Total Income		10,869.80	979.55
Expenses:			
Finance costs	21	2,521.27	25.40
Fees and Commission Expenses	22	692.02	162.89
Employee Benefit Expenses	23	4,726.98	85.70
Depreciation and amortization	10	0.09	-
Impairment and Write Offs	24	1,467.90	153.94
Other expenses	25	1,015.23	79.82
Total expenses		10,423.49	507.75
Profit before tax		446.31	471.80
Tax Expense			
Current tax	27	389.42	159.08
Deferred tax expense/ (credit)	27	(250.36)	(40.34)
Tax for earlier years			
-Current Tax		(7.86)	-
Profit for the year	(a)	315.11	353.05
Other comprehensive income (OCI)			
(A) Items that will not be reclassified to profit or loss			
(i) Re-measurement losses on defined benefit plans		(2.95)	-
(ii) Income Tax Impact Thereon		0.74	-
sub-total		(2.21)	-
(B) Items that will be reclassified to profit or loss			
sub-total		-	-
Other comprehensive income for the year, net of taxes	(b)	(2.21)	-
IX. Total comprehensive income for the year	(a) + (b)	312.90	353.05
Earnings per share:			
Basic EPS attributable to equity shareholders	26	1.21	1.75
Diluted EPS attributable to equity shareholders	26	1.21	1.75

Material accounting policy information

2

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N

CA Alok Kumar
Partner
Membership No.: 503781
Place: Delhi
Date: 24/09/2024



For and on behalf of the Board of the Directors of
**PROGFIN PRIVATE LIMITED (FORMERLY
KNOWN AS HYTONE HOLDINGS PRIVATE**

Pallavi Shrivastava
Director
DIN- 07677898
Place: Delhi
Date: 24/09/2024

Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 24/09/2024

Sushil N. Thaker
Company Secretary
Membership No.: A58600
Place: Delhi
Date: 24/09/2024



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Statement of Changes in Equity for the year ended 31 March 2024
(Amounts in lakhs INR, unless otherwise stated)

Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid up	No. of shares (in lakhs)
At 1 April 2023	201.57
Issued during the year	139.33
At 31st March 2024	340.90
At 1 April 2022	7.57
Issued during the year	194.00
At March 31 2023	201.57

Particulars	Equity share capital (Refer note 17)	Reserves and Surplus				Other Comprehensive Income	Total equity
		Share Premium (Refer note 18)	Retained earnings (Refer note 18)	Reserve fund as per RBI Act (Refer note 18)	Deemed equity (Refer note 18)	Remeasurement of defined benefit plans (Refer note 18)	
At 31 March 2023	2,015.73	27,257.41	399.16	100.33	31.28	-	29,803.91
Profit after tax	-	-	315.11	-	-	-	315.11
Other Comprehensive Income (net of tax)	-	-	-	-	-	(2.21)	(2.21)
Issue of Shares	1,393.33	-	-	-	-	-	1,393.33
Premium on issue of Equity shares during the year (net of share issue expense)	-	19,506.67	-	-	-	-	19,506.67
Transfer to Reserve Fund in terms of section 45-(C)(1) of the Reserve Bank of India Act, 1934	-	-	(63.02)	63.02	-	-	-
Contribution by Holding Company	-	-	-	-	1,014.37	-	1,014.37
At 31 March 2024	3,409.06	46,764.08	651.25	163.35	1,045.65	(2.21)	52,031.18
At 1 April 2022	75.73	116.98	116.72	29.72	-	-	339.15
Profit after tax	-	-	353.05	-	-	-	353.05
Issue of Shares	1,940.00	-	-	-	-	-	1,940.00
Premium on issue of Equity shares during the year (net of share issue expense)	-	27,140.43	-	-	-	-	27,140.43
Transfer to reserve fund in terms of section 45-(C)(1) of the Reserve Bank of India Act, 1934	-	-	(70.61)	70.61	-	-	-
Contribution by Holding Company	-	-	-	-	31.28	-	31.28
At 31 March 2023	2,015.73	27,257.41	399.16	100.33	31.28	-	29,803.91

Material accounting policy information

The accompanying notes are an integral part of the Financial Statements
As per our report of even date

For and on behalf of the Board of the Directors of PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N
New Delhi
CA Alok Kumar
Partner
Membership No.: 303781
Place: Delhi
Date: 24/09/2024

Pallavi Shrivastava
Director
DIN- 07677898
Place: Delhi
Date: 24/09/2024

Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 24/09/2024

Sushil N. Thakur
Company Secretary
Membership No.: A58600
Place: Delhi
Date: 24/09/2024

PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Statement of Cash Flows for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash Flow from Operating Activities:		
Profit before tax	446.31	471.80
Adjustments for:		
Other comprehensive income for the year, net of taxes	(2.21)	-
Loss/(profit) on sale of Investments	(41.82)	(112.80)
Depreciation and amortization	0.09	-
Impairment Loss Allowance	1,069.03	153.94
Bad debt written off	398.87	-
Share based payment expense & guarantee charges	1,014.37	31.29
Interest expenses	2,324.79	25.40
Operating profit/(loss) before working capital changes	5,209.43	569.62
Movement in working capital		
(Increase)/decrease in loans	(79,019.87)	(34,501.95)
(Increase) in other financial assets	(1,539.66)	(751.54)
Decrease in financial liabilities - trade payables	(135.62)	160.16
(Increase)/decrease in other non financial assets	(439.12)	(21.10)
Increase in non financial liabilities - provisions	166.54	(263.67)
Increase in other financial liabilities	3,524.81	3,306.00
Increase in other non financial liabilities	324.36	184.11
Cash used (from)/in operations	(71,909.13)	(31,318.37)
Direct taxes paid (net of refunds)	(652.71)	(6.09)
Net cash used in operating activities	(72,561.84)	(31,324.46)
Cash flow from investing activities		
Purchase of Property, plant and equipment	(37.42)	-
Creation of deposits with remaining maturity for less than twelve months	(543.29)	-
Proceeds from sale of Investments	41.82	170.12
Net cash used in investing activities	(538.89)	170.12
Cash flow from financing activities		
Proceeds from issue of equity shares (share capital)	1,393.33	1,940.00
Proceeds from issue of equity shares (premium)	19,506.67	27,257.41
Proceeds from/repayment of Borrowings	49,783.57	8,949.51
Interest paid	(2,324.79)	(25.40)
Net cash generated from financing activities	68,358.78	38,121.52
Net increase in cash and cash equivalents	(4,741.95)	6,967.18
Cash and cash equivalents at the beginning of the year	7,146.00	178.82
Cash and cash equivalents at the end of the year	2,404.05	7,146.00
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	2,404.05	7,146.00
Total cash and cash equivalents (note 4)	2,404.05	7,146.00

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

As per our report of even date

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N

CA Atok Kumar
Partner
Membership No.: 503781
Place: Delhi
Date: 24/09/2024



For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Pallavi Shrivastava
Director
DIN- 07677898
Place: Delhi
Date: 24/09/2024

Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 24/09/2024

Sushil N. Thaker
Company Secretary
Membership No.: A58600
Place: Delhi
Date: 24/09/2024



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in lakhs INR, unless otherwise stated)

1 General information

Proffin Private Limited ("PPL" or "the company") earlier known as Hytone Holdings Private Limited from the date of certificate of incorporation on 30th November 2022 under the Companies Act 2013. The registered office of the Company is situated at 76, 1st floor, Okhla (phase 3), Industrial Estate, New Delhi-110020. The Company is registered with Reserve Bank of India (RBI) as non deposit taking Non-systematically important Non Banking Financial Company (NBFC) with Registration no. B - 13.01718 and is certified as Proffin Private Limited.

2 Material Accounting Policy Information

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions') issued by RBI as amended from time to time.

These Financial statements were approved by the Board of Directors in its meeting held on 24th September 2024.

2.2 Basis of preparation

The Financial Statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments and note 33)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the head of finance.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The preparation of these Standalone Financial Statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the Standalone Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.3 Functional and presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.4 Summary of material accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these Standalone Financial Statements.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

(a) Revenue from operations

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Interest income

The Company recognizes interest using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost. 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 amortized cost of a financial liability. On initial recognition, the processing fees shall be adjusted from fair value of the loans disbursed by the company. Subsequently, these loans shall be measured at amortized cost by recognizing interest income using EIR over the underlying loan tenure. Thus, the processing fees adjusted on initial recognition shall be recognized over the period of time through interest income. Interest income and ad hoc interest these are recognized on a EIR basis over the life of the loan.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cashflows is recognized on realization.

(b) Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity and other incentives to employees.

Short-term employee benefits

A liability is recognized for short-term employee benefits accruing to employees in respect of salaries, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post-employment and termination benefit costs

Payments to defined contribution benefit plans (i.e. Provident Fund and Employee State Insurance Scheme) are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprises actuarial gains and losses which is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

(c) Share-based payments

Employees of the Company also receive remuneration in the form of share based payment transactions under the parent Company's Employee stock option plan (ESOP) - 2019.

The Company accounts for the share based payments as follows:

Equity settled transactions

The options are measured at their grant date fair value and based on the number of equity instruments expected to vest. Expenses are recognized as part of the employment expenses with reference to the vesting period of these options. To the extent that the Company does not compensate the parent company for the options offered to its employees, a corresponding credit is recognized in the contributed equity.

(d) Taxation

Income tax expense comprises the sum of the tax currently tax payable and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax is not recognized for:

- (i) temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- (ii) temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in lakhs INR, unless otherwise stated)

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Financial asset at amortized cost
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are subsequently measured at amortized cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- (ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss

- (i) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

- (ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets (Debt instruments) that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortized cost criteria or the FVTOCI criteria may irrevocably be designated as at FVTPL and measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses

- (i) Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

- (ii) Financial assets at amortized cost - These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

- (iii) Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

- (iv) Equity instruments at FVTOCI - These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL and financial guarantees. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For measurement of loss allowance in case of financial guarantee contracts, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, 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.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 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.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

(i) Significant increase in credit risk

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company applies a three-stage approach to measure ECL on financial guarantee contracts. The underlying receivables of debtors migrate through the following three stages based on the change in credit quality since initial recognition.

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Exposures with DPD equal to 31 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Company assesses whether

Stage 3: Lifetime ECL – credit impaired

Receivable of debtor is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For receivable of debtors that have become credit impaired, a lifetime ECL is recognized on principal outstanding as at period end.

Exposures with DPD equal to or more than 90 days are classified as stage 3.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when The measurement of all expected credit losses for financial guarantee contracts held at the reporting date are based on historical experience, current conditions, and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in a separate component of equity wherein fair value changes are accumulated, and does not reduce the carrying amount of the financial asset in the balance sheet.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation:

(i) to deliver cash or another financial asset to another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Financial liabilities subsequently measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(f) *Reclassification of financial assets and liabilities*

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

(g) *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(h) *Impairment of non-financial assets:*

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(i) *Provisions*

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future

(j) *Cash and Cash-Equivalents*

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

(k) Contingent liabilities and Contingent Assets

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by occurrence or non - occurrence of one or more uncertain events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable on the basis of judgement of management. These are assessed continuously to ensure that developments are appropriately reflected in the Financial Statements.

(l) Financial Guarantee Asset

The parent Company has issued a financial guarantee against loan taken by the Company. The financial guarantee has been recognized as an asset at fair value, and is amortized over the period of the loan as required by Ind AS 109.

(m) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issue data later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(n) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

(o) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates then separately based on their specific useful lives.

Cost of an item of property, plant and equipment comprises its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. 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 included in the income statement when the asset is derecognized.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in lakhs INR, unless otherwise stated)

Depreciation and amortization

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in the statement of profit and loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Assets category	Estimated useful life
• Computers	3 years

Depreciation on additions to PPE is provided on a prorata basis from the date the assets are acquired/installed. Depreciation on sale or disposal of assets is provided upto the date of sale/disposal.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

3 Use of judgement and estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting

(i) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management assumptions are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Refer Note 28 for further details.

(c) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

Financial assets			
4	Cash and cash equivalents	As at 31 March 2024	As as 31 March 2023
	Balance with bank		
	- On current accounts	2,404.05	7,146.00
	Total	2,404.05	7,146.00
5	Bank balances other than cash and cash equivalents	As at 31 March 2024	As as 31 March 2023
	Deposits with Banks		
	- Remaining maturity for less than twelve months*	543.29	-
	Total	543.29	-
	<i>*Deposits with banks are under lien for securitisation transaction.</i>		
6	(A) Loans at amortized cost	As at 31 March 2024	As as 31 March 2023
	Term Loan	2,856.06	-
	Working Capital	1,10,381.38	34,616.46
	Gross Loans	1,13,237.44	34,616.46
	Less : Provision for Impairment loss	(1,222.97)	(153.96)
	Total	1,12,014.47	34,462.50
	(B)		
	Secured, considered good	-	-
	Unsecured, considered good	1,13,237.44	34,616.46
	Gross Loans	1,13,237.44	34,616.46
	Less : Provision for Impairment loss	(1,222.97)	(153.96)
	Total	1,12,014.47	34,462.50
	(C)		
	I. Loans in India		
	i) Public Sector	-	-
	ii) Others	1,13,237.44	34,616.46
	Gross Loans (a)	1,13,237.44	34,616.46
	Less : Provision for Impairment loss	(1,222.97)	(153.96)
	Total - Net loans (a)	1,12,014.47	34,462.50
	II. Loans in Outside India (b)	-	-
	Total - Net loans (a) + (b)	1,12,014.47	34,462.50
7	Other Financial Assets	As at 31 March 2024	As as 31 March 2023
	Unbilled Revenue	11.76	19.66
	Employee Advances	66.10	0.40
	Due from holding company	877.98	-
	Other Receivables	1,335.76	731.88
	Total	2,291.60	751.94
	Non Financial assets		
8	Current Tax Assets / Liability (Net)	As at 31 March 2024	As as 31 March 2023
	Advance Tax Paid (net of provision)	116.02	-
	Provision for income tax (net of advance tax)	-	(154.39)
	Total - Assets/(Liability)	116.02	(154.39)
9	Deferred Tax Assets (Net)	As at 31 March 2024	As as 31 March 2023
	Deferred Tax*	291.44	40.34
	Total	291.44	40.34
	<i>*For detail breakup refer note no-27.</i>		
11	Other Non Financial Assets	As at 31 March 2024	As as 31 March 2023
	Other Advances	6.88	2.50
	Supplier Advances	30.05	6.14
	GST Receivable	78.20	-
	Prepaid Expenses	344.73	12.10
	Total	459.86	20.74



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

10 Property, Plant and Equipment

		<u>Computer & equipments</u>
Gross carrying amount		
As on 31st March 2023		-
Additions		37.42
Disposals/Adjustments		-
As on 31st March 2024	(A)	<u>37.42</u>
Accumulated depreciation and impairment losses		
As on 31st March 2023		-
Charged for the year		0.09
Disposals/Adjustments		-
As on 31st March 2024	(B)	<u>0.09</u>
Net carrying amount as on 31st March 2024	(A)-(B)	37.33
Net carrying amount as on 31st March 2023		-



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in lakhs INR, unless otherwise stated)

Financial Liabilities

12 Trade Payables

Total Outstanding dues of Micro Enterprises and Small Enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

Total

As at 31 March 2024	As at 31 March 2023
2.71	-
24.53	162.86
27.24	162.86

Ageing

Particulars	Outstanding for following periods from date of transaction as on 31st March 2024				Total
	Unbilled	upto -1 year	1-2 Years	More than 3	
MSME	-	2.71	-	-	2.71
Others	-	24.53	-	-	24.53
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	-	27.24	-	-	27.24

Particulars	Outstanding for following periods from date of transaction as on 31st March 2023				Total
	Unbilled	upto -1 year	1-2 Years	More than 3	
MSME	-	-	-	-	-
Others	-	162.86	-	-	162.86
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	-	162.86	-	-	162.86



	As at 31 March 2024	As at 31 March 2023
13 Borrowings		
Term Loans		
In India		
At Amortized Cost		
Term Loans		
- From Banks	5,375.00	1,500.00
- From Others	30,037.54	6,449.51
Loan Repayable on demand		
- Working Capital Loans from banks	5,500.00	1,000.00
- Other loans from banks	3,713.74	-
Others		
- Pass Through Certificate	6,079.04	-
- Inter Corporate Deposits	8,027.76	-
Total	58,733.08	8,949.51
Out of Above		
Secured	50,705.32	8,949.51
Unsecured	8,027.76	-
Total	58,733.08	8,949.51
Notes:		
1. Terms of repayment of borrowings 59-519 days and rate of interest 5.5%-11.75%.		
2. The Company has not defaulted in the repayment of borrowings and interest thereon for the year ended March 31, 2024 and March 31, 2023.		
3. Term Loans, Working capital loans and pass through certificates are secured by first and exclusive charged by way of hypothecation over identified qualifying loan receivable.		
4. Other loans represents loans taken against the hypothecations of Fixed Deposit Receipts held by holding company.		
5. Parent Company has provided Corporate Guarantee against the borrowings by the Company from the Bank and others.		

	As at 31 March 2024	As at 31 March 2023
14 Other Financial Liabilities		
Interest Accrued but not due		
-On Term Loans	151.50	16.66
-On Working Capital Loan	36.63	4.56
-On Pass Through Certificate	3.58	-
Margin Money/ Security deposits	6,257.52	3,175.51
Other Expenses Payable	381.58	109.27
Total	6,830.81	3,306.00

	As at 31 March 2024	As at 31 March 2023
Non Financial Liabilities		
15 Provisions		
Provision for gratuity	172.87	6.33
Total	172.87	6.33

	As at 31 March 2024	As at 31 March 2023
16 Other Non Financial Liabilities		
Statutory Dues	185.01	13.86
Income received in advance	177.87	24.66
Total	362.88	38.52



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

17 Share capital

17 A Authorized share capital

As at 1st April 2022	
Increase/(Decrease) during the year	
As at 31st March 2023	
Increase during the year	
As at 31st March 2024	

Equity Shares (Face Value INR 10 per share)	Number of shares	Amount
	12.00	120.00
	198.00	1,980.00
	210.00	2,100.00
	190.00	1,900.00
	400.00	4,000.00

17 B Issued, subscribed and fully paid up share capital

As at 1st April 2022	
Increase/(Decrease) during the year	
As at 31st March 2023	
Increase during the year	
As at 31st March 2024	

Equity Shares (Face Value INR 10 per share)	Number of shares	Amount
	7.57	75.73
	194.00	1,940.00
	201.57	2,015.73
	139.33	1,393.33
	340.90	3,409.06

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held. In the event of liquidation of the company the holders of equity share will be entitled to receive the assets in proportion to the number of equity shares held by each of them.

17 C Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

	Number	Amount
As at 1st April, 2022	7.57	75.73
Issued during the year	194.00	1,940.00
As at 31st March, 2023	201.57	2,015.73
Issued during the year	139.33	1,393.33
As at 31st March, 2024	340.90	3,409.06

During the year the company issued 1,39,33,339 shares (PY 1,93,99,996 shares) of face value INR 10 at a premium of INR 140

17 D Details of promoter shareholding

Shares held by promoters at the end of the year

	As at 31st March, 2024		As at 31st March, 2023	
	Number	%	Number	%
	340.90	100%	201.57	100%
	340.90	100%	201.57	100%

Equity shares

Desiderata Impact Ventures Private Limited

There is no change in promoters shareholding year ending March 2024.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

17 E Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2024		As at 31st March, 2023	
	Number	%	Number	%
Equity shares				
Desiderata Impact Ventures Private Limited	340.90	100.00%	201.57	0.00%

17 F No shares have been allotted without payment of cash or by way of bonus/Bought Back of shares during the period of five years immediately preceding the balance sheet date.

17 G There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment

18 Other equity

18 A Share premium

At 1 April 2022

Premium on issue of equity shares during the year

Amount utilized against for issue of equity shares

At 31 March 2023

Premium on issue of equity shares during the year

At 31 March 2024

18 B Retained earnings

At 1 April 2022

Profit for the year

Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934

At 31 March 2023

Profit for the year

Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934

At 31 March 2024

18 C RBI Special Reserve

At 1 April 2022

Additions during the year

At 31 March 2023

Additions during the year

At 31 March 2024

Amount (in INR lakhs)

116.98

27,159.99

(19.56)

27,257.41

19,506.67

46,764.08

116.72

353.05

(70.61)

399.16

315.11

(63.02)

651.25

29.72

70.61

100.33

63.02

163.35



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

18 D	Deemed Equity	
	At 1 April 2022	-
	Contribution during the year	31.28
	At 31 March 2023	31.28
	Contribution during the year	1,014.37
	At 31 March 2024	1,045.65
18 E	Other Comprehensive Income	
	Remeasurement of defined benefit plans	
	At 1 April 2022	-
	Contribution during the year	-
	At 31 March 2023	(2.21)
	Contribution during the year	(2.21)
	At 31 March 2024	(2.21)
	Total other equity	27,788.18
	As at 31st March, 2023	48,622.12
	As at 31st March, 2024	

Nature and Purpose of Reserves	
Securities Premium Reserve	Security premium reserve is used to record the premium on the issue of shares. The reserve will be utilized in accordance with provisions of the Companies Act, 2013.
Special Reserve Account/Statutory Reserve	Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.
Retained Earnings	Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.
Deemed Equity	Financial guarantees charges against loans taken by the company provided free of cost and cost of employee share based payments for share options of holding company.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)**Notes to Financial Statements for the year ended 31 March 2024**

(Amounts in lakhs INR, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
19 Interest Income		
Interest Income on loans (at amortized cost) on EIR	10,535.04	851.66
Fees and incidentals	214.76	9.60
Total	10,749.80	861.26
20 Other Income		
Interest on fixed deposit	68.65	5.49
Realized gain on sale of mutual funds	41.82	112.80
Miscellaneous Income	9.53	-
Total	120.00	118.29
21 Finance costs		
Interest expense on borrowings	2,324.79	25.40
Other borrowing cost	196.48	-
Total	2,521.27	25.40
22 Fees and commission expense		
Fees and commission expense	692.02	162.89
Total	692.02	162.89
23 Employee benefits expense		
Salaries, wages and bonus	3,782.64	60.32
Gratuity expenses	67.74	6.33
Share based payment expenses*	876.60	19.05
Total	4,726.98	85.70
* Equity settled ESOP's have been issued by parent company (Desiderata Impact Ventures Private Limited), to employees of the company.		
24 Impairment and Write Offs		
Impairments / Provisions	1,069.03	153.94
Loss on settlement and loan closure	70.62	-
Bad debt written off	328.25	-
Total	1,467.90	153.94
25 Other expenses		
Advertisement Expense	7.82	-
Travelling and conveyance	241.09	-
Payment to Auditors*	6.70	4.90
Legal and professional fees	389.83	42.97
Stamp Paper & E sign Fee	20.02	-
GST Expenses	8.80	-
Bank charges	41.83	5.01
CIBIL Verification Expenses	62.53	11.21
ROC Fees	11.10	0.38
Rent, Repairs and Taxes	50.22	-
Insurance Charges	52.48	-
Housekeeping expense	17.48	-
Miscellaneous Expenses	105.33	16.25
Total	1,015.23	79.82



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in lakhs INR, unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
*Payment to Auditors		
As auditor:		
Audit fee	5.20	4.00
Tax Audit Fee	1.50	-
	6.70	4.00

26 Earnings per share (EPS)

The following reflects the profit and share data used for the basic and diluted EPS computations:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Net profit for calculation of basic EPS	315.11	353.05
Weighted average number of equity shares for calculating basic EPS	261.41	201.57
Basic earnings per share	1.21	1.75
Net profit for calculation of diluted EPS	315.11	353.05
Weighted average number of equity shares for calculating diluted EPS	261.41	201.57
Diluted earnings per share	1.21	1.75
Face value per share	10	10



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

27 Income taxes

The major components of income tax expense/(credit) are :

a) Income tax expense/(credit) recognized in Statement of profit and loss / OCI

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax		
Current income tax for the year	389.42	159.08
	389.42	159.08
Deferred tax		
Relating to origination and reversal of temporary differences	(251.10)	(40.34)
	(251.10)	(40.34)
Total income tax expense/(credit)	138.32	118.74

b) The income tax expense for the year can be reconciled to the profit before tax as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	446.31	471.80
Accounting profit before income tax		
Tax expense at statutory income tax rate of 22% plus applicable surcharge and Cess (31 March 2023: 22%)	112.34	118.74
Add: impact of expenses not deductible	25.98	-
Tax expense at the effective income tax rate of 25.17% (31 March 2022: 25.17%)	138.32	118.74

c) Breakup of deferred tax recognized in the Balance sheet

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Deferred tax asset:		
Gratuity	19.38	1.59
Impairment loss on lending business	279.45	38.75
Total deferred tax assets	298.83	40.34
Deferred tax liabilities		
Related to property, plant and equipment	7.39	-
Total deferred tax liabilities	7.39	-
Net deferred tax assets/(liabilities)	291.44	40.34



PROFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in lakhs INR, unless otherwise stated)

28 Employee benefits

A Defined benefit plans Gratuity - defined benefit plan

The Company's gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary payable for each completed year of service or part thereof in excess of 6 months, subject to a maximum limit of INR 2 million in terms of the provisions of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date.

The amount included in the balance sheet arising from the company's obligation in respect of its gratuity plan is as follows:

Gratuity Defined benefit plan

Present value of un-funded defined benefit obligation

As at 31 March 2024	As at 31 March 2023
172.87	6.33
172.87	6.33

a) Reconciliation of the net defined benefit liability

Reconciliation of present value of defined benefit obligation of gratuity

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	6.33	-
Current service cost	63.68	6.33
Net Interest Cost	4.06	-
Re-measurements	2.95	-
Liability Transferred In / (out) - Net	95.85	-
Balance at the end of the year	172.87	6.33

b) Amount recognized in statement of profit and loss:

Current service cost
Net Interest Cost

Recognized in profit or loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
	63.68	6.33
	4.06	-
	67.74	6.33



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The most recent actuarial valuations of the present value of the defined benefit liability were carried out at 31 March 2024. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

c) The principal assumption used for the purpose of actuarial valuation are as follows:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2024	As at 31 March 2023
Discount rate	7.19%	7.49%
Expected rate of salary increase	8.00%	8.00%
Retirement age	60yrs	60yrs
Attrition rate	20%	0.10
Mortality table	100% of IALM 2012-14	100% of IALM 2012-14

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) The plan typically exposes the Company to actuarial risks such as: interest rate, longevity risk and salary risk.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



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e) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Increase	Decrease
Gratuity		
For the year ended 31 March 2024		
Impact of change in discount rate by 0.5%	4.58	4.80
Impact of change in salary by 1%	9.42	8.82
Impact of change in employee turnover rate by 5%	19.69	22.43
For the year ended 31 March 2023		
Impact of change in discount rate by 0.5%	6.02	6.66
Impact of change in salary by 1%	7.00	5.73
Impact of change in employee turnover rate by 5%	5.15	7.75

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions

f) The table below summarizes the maturity profile and duration of the gratuity liability:

Particulars	As at 31 March 2024	As at 31 March 2023
1st following year	7.18	0.01
2nd following year	11.97	0.01
3rd following year	21.82	0.02
4th following year	30.11	0.43
5th following year	28.83	0.78
Sums of year 6 to 10	173.62	14.12
	273.53	15.38



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29 Capital management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and-
Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders.

Particulars	As at 31 March 2024	As at 31 March 2023
Net debts*	56,329.03	1,803.51
Total equity	52,031.18	29,803.91

*Net debts = Long term borrowings + short term borrowing – cash and cash equivalents

Gearing Ratio

The Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total equity (as shown in the statement of assets and liabilities).

The gearing ratio at end of the reporting year was as follows.

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings	58,733.08	8,949.51
Cash and cash Equivalents	2,404.05	7,146.00
Adjusted Net Debt (A)	56,329.03	1,803.51
Total Equity (B)	52,031.18	29,803.91

Net Debt to Equity Ratio 1.08 0.06

Debt is defined as long-term and short-term borrowings

Capital Adequacy Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under

Particulars	As at 31st March 2024	As at 31st March 2023
Capital Adequacy Ratio	45.22%	86.37%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

30 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	2.71	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil



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31 Employee Stock Option Plan – 2019 ("The 2019 Plan")

The Parent company established the Procap Stock Option Policy 2019 which was approved by the shareholders vide their special resolution dated on date Month 2019. Options under the said plan have been issued to the employees of the company.

Vesting condition: The vesting condition of options is continued employment and completion of service period.

Vesting period: The company has issued the options with graded vesting. The options vest in 4 tranches of 25% each over a period of 1- 4 years

Exercise period: Options vested shall be eligible to be exercised within one month of expiry of seven years from the date of grant or upon occurrence of a corporate action, whichever is earlier. The option shall lapse if not exercised within the exercise period.

a. The following table represents movement during the year

	As at 31 March 2024		As at 31 March 2023	
	No of options	WAP	No of options	WAP
Outstanding at the beginning of the year	104.90	-	-	-
Options granted during the year	587.03	9,767	104.90	9,767
Options exercised during the year	-	18,679	-	-
Options forfeited during the year	6.55	-	-	-
Options cancelled	-	-	-	-
Unvested Options Outstanding at the end of the year	685.38	-	104.90	-
Exercisable at the end of the year				

The share options outstanding at the end of the year had a weighted average exercise price of INR 13,500 and a weighted average remaining contractual life of 6.46 years.

b The range of Exercise Price for March 2023 and March 2024 is INR 10 - INR 8,97,893

	For the year ended 31 March 2024	For the year ended 31 March 2023
	876.60	19.05

c Expense arising from equity-settled share-based payment transactions

The weighted average fair value of options granted under the ESOP 2019 scheme during the year was INR 525,104 per option.

d The estimation of fair value on date of grant was made using the Black-Scholes model in Holding Company with the following assumption :

Inputs for measurement of grant date fair values of ESOPs

ESOP 2019 Scheme :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Exercise price- (in INR)	10 - 8,97,893	10 - 8,97,893
Fair value at grant date- (in INR)	155,042 - 8,97,893	155,042 - 8,97,893
Expected Volatility (Standard Deviation - Annual)	52.12%	52.12%
Risk free rate	7.27%	7.27%
Dividend yield	0%	0%



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33 Financial Instruments

Set out below, are the fair values of the financial instruments of the Company, including their accounting classifications:

A Category-wise classification and their carrying value for financial assets and Liabilities:

Particulars	Level	As at 31st March, 2024		As at 31st March, 2023	
		Carrying value as on 31 March 2024	Fair value as on 31 March 2024	Carrying value as on 31 March 2023	Fair value as on 31 March 2023
ASSETS					
I) Measured at amortized cost:					
Cash and Cash Equivalents (Refer Note 4)	Level 3	2,404.05	2,404.05	7,146.00	7,146.00
Bank Balances other than Cash and Cash Equivalents (Refer Note 5)	Level 3	543.29	543.29	-	-
Loans (Refer Note 6)	Level 3	1,12,014.47	1,12,014.47	34,462.50	34,462.50
Other Financial Assets (Refer Note 7)	Level 3	2,291.60	2,291.60	751.94	751.94
Total		1,17,253.41	1,17,253.41	42,360.44	42,360.44
LIABILITIES					
I) Measured at amortized cost:					
Trade Payables (Refer Note 12)	Level 3	27.24	27.24	162.86	162.86
Borrowings (Refer Note 13)	Level 3	58,733.08	58,733.08	8,949.51	8,949.51
Other Financial Liabilities (Refer Note 14)	Level 3	6,830.81	6,830.81	3,306.00	3,306.00
Total		65,591.13	65,591.13	12,418.37	12,418.37

b) Methods and assumptions:

- Fair valuation of current financial liabilities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair value of non-current financial assets has not been disclosed as these are bank deposits with maturity more than 12 months, and there are no significant differences between their carrying value and fair value.
- Cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

c) There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2024 and 31 March 2023.

d) The following is the basis of categorizing the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



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34 Financial risk management objectives and policies

The company's management monitors and manages key financial risk relating to the operations of the Company by analyzing exposures by degree and magnitude of risk. The risks include market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

i) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily loans) and from its financing activities, including deposits with banks and financial institutions and other financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit ratings (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Loans

Days past due based method implemented by Company for credit quality analysis of Loans

The table below shows the credit quality and the maximum exposure to credit risk based on the days past due and year-end stage classification of Loans. The amounts presented are gross of impairment allowances.

Outstanding Gross Loans (Days Past Due)	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Zero overdue	1,03,941.00	-	-	1,03,941.00	33,796.29	-	-	33,796.29
1-30 days	5,831.81	-	17.39	5,849.20	586.22	-	-	586.22
31-60 days	-	766.00	-	766.00	-	211.06	-	211.06
61-90 days past due	-	1,043.20	-	1,043.20	-	22.89	-	22.89
More than 90 days	-	-	1,638.04	1,638.04	-	-	-	-
Total	1,09,772.81	1,809.20	1,655.43	1,13,237.44	34,382.51	233.95	-	34,616.46

Digital lending business

The Company's exposure to credit risk arise from the business model under which the Company facilitates credit to the users of its platform.

Concentration of credit risk

Concentrations arise when a number of users are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/ states/ customer base with a cap on maximum limit of exposure for an individual/ Company. Accordingly, the Company does not have concentration risk.

Analysis of Portfolio

Particulars	Gross Exposure at default	Expected Credit Loss	Net Carrying Amount	Impact on Profit and Loss
As at 31 March 2023				
Where credit risk has not significantly increased from initial recognition (Stage 1)	34,382.51	-	34,382.51	128.64
Where credit risk has increased significantly but are not credit impaired (Stage 2)	233.95	-	233.95	25.30
Where credit risk has increased significantly and are credit impaired (Stage 3)	-	-	-	-
Total	34,616.46	-	34,616.46	153.94
As at 31 March 2024				
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,09,772.81	230.05	1,09,542.76	101.41
Where credit risk has increased significantly but are not credit impaired (Stage 2)	1,809.20	257.50	1,551.70	232.20
Where credit risk has increased significantly and are credit impaired (Stage 3)	1,655.43	735.42	920.01	735.42
Total	1,13,237.44	1,222.97	1,12,014.47	1,069.03



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Reconciliation of ECL Balance is given below:

Outstanding Gross Loans (Days Past Due)	As at 31st March 2024				As at 31st March 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Allowance - Opening Balance	128.64	25.30	-	153.94	128.64	25.30	-	153.94
ECL Allowance - Recognized during the year	101.41	232.20	735.42	1,069.03	128.64	25.30	-	153.94
ECL Allowance - Closing Balance	230.05	257.50	735.42	1,222.97	128.64	25.30	-	153.94

Inputs, assumptions and estimation techniques used to determine expected credit loss

The Company's ECL provision is made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macro-economic parameters. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. The selection of variables was made purely based on business sense. Forward looking PDs have been forecasted using Vasicek model by establishing a link between historic PD and macro economic variable. Best, base and worst scenarios were created for all the variables and default rates were estimated for all the scenarios. These default rates were then used with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

Cash and cash equivalents and bank deposits

The company maintains its cash and cash equivalents, bank deposits and investment in mutual funds with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Company has applied following assumptions for determination of ECL:

- 1) Definition of Default: The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:
 - a) Significant financial difficulty of the borrower or issuer
 - b) A breach of contract such as a default or past due event
 - c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise
 - d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization, or
 - e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.
 - 2) "Loss given default" (LGD) is an estimate of loss from a transaction given that a default occurs.
 - 3) "Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.
 - 4) "Exposure at default" (EAD) represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company including loan commitments.
 - 5) Forward looking information: The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, is lower of the floor provisions as prescribed by RBI for NBFCs.
- The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio. ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).
- In the process of determining the PD, the macro economic impact is intrinsically built in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetization etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario
- 6) Assessment of significant increase in credit risk: The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Additionally, there is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency, short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument, i.e. rating signifies the risk of default of the borrower that is rated.



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Division Wise/ Sector wise Risk Concentration

i) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Ultimate responsibility for liquidity risk management rests with the board of directors, who have established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecasts and actual cashflows, and by matching the maturity profiles of financial assets and liabilities. The Company has access to financing facilities as described below. The Company expects to meet its other obligations from operating cashflows and proceeds of maturing financial assets.

	As at 31st March 2024	As at 31st March 2023
Secured facility:		
- Amount used	50,705.32	8,949.51
- Amount unused	-	-

Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behavior as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

Particulars	31st March, 2024		31st March, 2023			
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and Cash Equivalents	2,404.05	-	2,404.05	7,146.00	-	7,146.00
Bank Balances other than Cash and Cash Equivalents	543.29	-	543.29	-	-	-
Loans	1,09,189.26	2,825.21	1,12,014.47	34,462.50	-	34,462.50
Investments	-	-	-	-	-	-
Other Financial Assets	2,291.60	-	2,291.60	751.94	-	751.94
Non Financial Assets						
Current Tax Assets (Net)	116.02	-	116.02	-	-	-
Other Non Financial Assets	459.86	-	459.86	20.74	-	20.74
Total Assets	1,15,004.08	2,825.21	1,17,829.29	42,381.18	-	42,381.18
LIABILITIES						
Financial Liabilities						
Trade Payables	27.24	-	27.24	162.86	-	162.86
Borrowings	17,835.40	40,897.68	58,733.08	8,949.51	-	8,949.51
Other Financial Liabilities	6,830.81	-	6,830.81	3,306.00	-	3,306.00
Non Financial Liabilities						
Provision for gratuity	172.87	-	172.87	6.33	-	6.33
Current Tax Liability (Net)	-	-	-	154.39	-	154.39
Other Non Financial Liabilities	362.88	-	362.88	38.52	-	38.52
Total Liabilities	25,229.20	40,897.68	66,126.88	12,617.61	-	12,617.61

Note: Classification of Loans under the different maturity buckets is based on the due date

ii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.



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(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity disclosed in the below table is attributable to bank overdraft facility availed by the company.

Sensitivity	Impact on profit/loss before tax	
	31st March 2024	31st March 2023
+ 0.5% change in interest rate	(4.95)	-
- 0.5% change in interest rate	4.95	-

(b) Currency risk

The company does not have foreign currency transactions

c) Operational Risk:

Operational Risk has been defined as "The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events." The risk of direct or indirect potential loss arising from a wide variety of causes associated with the Company's processes, personnel, systems, or from external factors other than strategic and reputation risk Management of operational risk forms an integral part of Company's enterprise wide risk management systems. The organization thrives towards incremental improvements to its operational risk management framework to address the dynamic industry landscape. Clear strategies and oversight by the Board of Directors and senior management, a strong operational risk management culture, effective internal control and reporting and contingency planning are crucial elements of Company's operational risk management framework.

d) Regulatory and Compliance Risk:

Regulatory compliances are handled by Finance team, Treasury and Business teams in consultation with Company Compliance team. Statutory compliances are handled by Company Secretarial team, Administrative and people process related compliances are handled by Administration & HR departments.



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35 Segment Information

The Board of the company takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker.

Information reported to the Company's Director (the Chief Operating Decision Maker (CODM)) for the purposes of resource allocation and assessment of segment performance is focused on the degree of homogeneity of products, services and material businesses. As per management, there are no Segments and Segment Reporting is not applicable.

36 Provisions on Standard Asset

Particulars	Basis of classification	As at March 31, 2024	As at March 31, 2023
ECL provision	Ind 109	487.55	153.94

37 Additional disclosures required by Schedule III

I Analytical Ratios

The following reflects the ratios and data used in the computation:

Ratio	Numerator	Denominator	Current Period	Previous Period
Capital to risk-weighted assets ratio (CRAR)	51,970.47	1,14,919.22	45.22%	86.37%
Tier I CRAR	51,740.42	1,14,919.22	45.02%	86.37%
Tier II CRAR	230.05	1,14,919.22	0.20%	-
Amount of subordinated debt raised as Tier-II capital	-	-	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-	-	-

II Details of benami property held

The Company does not hold any benami property and no proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

III Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

a Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013

V Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

VI Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

VIII Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

IX Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

X Utilization of borrowings availed from banks and financial institutions.

was obtained

XI The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- 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 to or on behalf of the Ultimate Beneficiaries



PROFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

38 Disclosure on Liquidity Risk Management Framework pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106

DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	No. of Significant Counterparties	As at 31st March 2024		As at 31st March 2023	
		Amount (See note 13)	% of total liabilities	Amount (See note 13)	% of total liabilities
1	Northern Arc Capital Ltd	12,437.54	21%	-	0%
2	Mas Financial Services	6,291.67	11%	2,500.00	28%
3	KMIL Term Loan	5,458.33	9%	2,500.00	28%
4	JM Term Loan	5,000.00	9%	-	0%
5	HLF PTC	4,452.93	8%	-	0%
6	Yes Bank WC DL	3,000.00	5%	-	0%
7	AU Small Finance Bank	2,708.33	5%	-	0%
8	Kotak Bank WC DL	2,000.00	3%	1,000.00	11%
9	Kotak Bank Term Loan	1,666.67	3%	1,500.00	17%
10	Mas PTC	1,626.11	3%	-	0%
11	Tata Capital Term Loan	850.00	1%	1,449.51	16%
12	Federal Bank Term Loan	1,000.00	2%	-	0%
13	Federal Bank WC DL	500.00	1%	-	0%
14	Desiderata Impact Ventures Pvt Ltd ICD	8,027.76	14%	-	0%
15	Yes bank OD against FD	3,713.74	6%	-	0%
	Total	58,733.08	100%	8,949.51	100%

Notes:

1) A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDST's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

2) The amount represents the outstanding principals as of the reporting date.

(ii) Top 10 borrowings

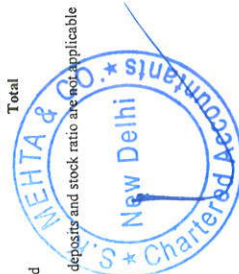
Particulars	As at 31st March 2024	As at 31st March 2023
Northern Arc Capital Ltd	12,437.54	-
Desiderata Impact Ventures Pvt Ltd ICD	8,027.76	-
Mas Financial Services	6,291.67	2,500.00
KMIL Term Loan	5,458.33	2,500.00
JM Term Loan	5,000.00	-
HLF PTC	4,452.93	-
Yes Bank WC DL	3,000.00	-
AU Small Finance Bank	2,708.33	-
Kotak Bank WC DL	2,000.00	1,000.00
Kotak Bank Term Loan	1,666.67	1,500.00
Tata Capital Term Loan	850.00	-
% of total borrowings	88%	101%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of instrument/ Product	Amount	% of total liabilities
1	WC DL	5,500.00	9%
2	Term Loan	35,412.54	60%
3	PTC	6,079.04	10%
4	ICD	8,027.76	14%
5	OD	3,713.74	6%
	Total	58,733.08	100%

* Outstanding Amount considered

(v) Disclosure relating to Top 20 deposits and stock ratio are not applicable



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

39 Disclosure on Ind AS implementation - pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.11/2023-24 dated October 19, 2023 amended from time to time.

As at March 31, 2024:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRAC norms	Difference between Ind AS 109 Provisions and IRAC norms
Performing Assets						
Standard	Stage 1 Stage 2 Stage 3	1,09,772.81 1,809.20 17.39	230.05 257.50 7.50	1,09,542.76 1,551.70 9.89	439.09 7.24 2.61	(209.04) 250.26 4.89
Subtotal		1,11,599.40	495.05	1,11,104.35	448.94	46.11
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,638.04	727.92	910.12	245.71	482.21
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,638.04	727.92	910.12	245.71	482.21
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	- - -	- - -	- - -	- - -	- - -
Subtotal		-	-	-	-	-
Total	Stage 1 Stage 2 Stage 3 Total	1,09,772.81 1,809.20 1,655.43 1,13,237.44	230.05 257.50 735.42 1,222.97	1,09,542.76 1,551.70 920.01 1,12,014.47	439.09 7.24 248.31 694.64	(209.04) 250.26 487.11 528.33



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

As at March 31, 2023:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRAC norms	Difference between Ind AS 109 Provisions and IRAC norms
Performing Assets						
Standard	Stage 1	34,382.51	128.66	34,253.85	137.53	(8.87)
	Stage 2	233.95	25.30	208.65	0.94	24.36
Subtotal		34,616.46	153.96	34,462.50	138.47	15.49
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total						
	Stage 1	34,382.51	128.66	34,253.85	137.53	(8.87)
	Stage 2	233.95	25.30	208.65	0.94	24.36
	Stage 3	-	-	-	-	-
Total		34,616.46	153.96	34,462.50	138.47	15.49



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

- 40 Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RBI/DoR/2022-24/106 DoR.FIN.EC.No.45/03.1C 1.9/2023-24 dated October 19, 2023 amended from time to time.

a. Registration obtained from other financial sector regulators

The Company is registered with the Reserve Bank of India ('RBI') as a non-deposit taking, Non Banking Finance Company ('NBFC'), vide certificate number N-13.02225 dated February 20, 2018, to commence the business of non-banking financial institution without accepting public deposits as NBFC Factors..

b. Disclosure of Penalties imposed by RBI and other regulators

Nil

c. Exposure to Capital Market

Particulars	As at 31 March 2024	As at 31 March 2023
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;	-	-
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;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
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 debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates 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;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

d. Provisions and Contingencies

Sr. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31 March 2024	As at 31 March 2023
i	Provision for depreciation on Investment	-	-
ii	Provision towards NPA	735.42	-
iii	Provision made towards Income tax	381.56	159.08
iv	Other Provision and Contingencies (with details)		
(a)	Provision for Gratuity	166.54	6.33
(b)	Provision for Standard Assets	333.59	153.96

e. Concentration of Exposures

Particulars	As at 31 March 2024	As at 31 March 2023
Total Exposure to twenty largest borrowers/customers	19,948.00	6,256.00
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	17.62%	18.07%



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS EYETONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in INR lakhs, unless otherwise stated)

f. Concentration of NPAs

Particulars	As at 31 March 2024	As at 31 March 2023
Total exposure to top four NPA Accounts	1,070.00	-

g. Information on instances of fraud:

Instances of fraud for the year ended March 31, 2024

Sr. No.	Particulars	As at 31 March 2024	As at 31 March 2023
i	Nature of Fraud	Fraud committed by customer	Fraud committed by customer
ii	No. of Cases	-	-
iii	Amount of fraud	-	-
iv	Recovery	-	-
v	Amount written-off/Provided	-	-

h. The Company has no exposure to real estate sector, directly or indirectly as on March 31, 2024 and March 31, 2023.

i. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

Nil

j. Details of financing of parent company products

S. No.	Particular	As at 31 March 2024	As at 31 March 2023
1	Inter Corporate Deposits	8,027.76	-

k. The disclosures given in the above notes pursuant to RBI Notifications are only to the extent they are applicable to the Company.

l. Draw down from Reserves

Nil

m. Related party transactions

Refer note 32

n. Remuneration of Directors

Refer note 44

o. Investments

Nil



(Amounts in INR lakhs, unless otherwise stated)

41

amended from time to time.

PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in INR lakhs, unless otherwise stated)

(5) Break-up of Investments :			
Current Investments :			
1. Quoted :			
(i) Shares : (a) Equity			
(b) Preference			-
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (please specify)			
2. Unquoted :			
(i) Shares : (a) Equity			
(b) Preference			-
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (please specify)			
Long Term investments :			
1. Quoted :			
(i) Shares : (a) Equity			
(b) Preference			-
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (please specify)			
2. Unquoted :			
(i) Shares : (a) Equity			
(b) Preference			-
(ii) Debentures and Bonds			
(iii) Units of mutual funds			
(iv) Government Securities			
(v) Others (please specify)			
(6) Borrower group-wise classification of assets financed as in (2) and (3) above :			
Category	Amount net of provisions		
	Secured	Unsecured	Total as on 31 March 2024
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	1,12,014.47	1,12,014.47
Total	-	1,12,014.47	1,12,014.47
** As per Accounting Standard of ICAI			
Loans and advances (net of provisions for Non performing asset) includes Term loans and Working Capital loans			



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HY-ONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in INR Lakhs, unless otherwise stated)

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	-	-
	Total	-	-
	** As per Accounting Standard of ICAI		
(8)	Other information		
	Particulars	Amount as on 31 March 2024	
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	
	(b) Other than related parties	1,655.43	
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	
	(b) Other than related parties	920.01	
(iii)	Assets acquired in satisfaction of debt	-	



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

42. Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RB/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

1. Details of the corporate governance

1.1) Composition of the Board

A) Composition of the Board

Composition of the Board											
Sl. No	Name of Director	Director since		Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		Remuneration			No. of shares held in and convertible instruments held in the NBFC
						Held	Attended	Salary and other compensation	Sitting Fee	Commission	
1	Pallavi Shrivastava	12-Aug-22		Executive Director	7677898	14	14	Enclosed as per MCA	-	-	1 share of INR 10
2	Himanshu Chandra	12-Aug-22		Executive Director	7315578	14	14	Enclosed as per MCA	-	-	1 share of INR 10

B) Details of change in composition of the Board during the current and previous financial year.

Financial Year 2023-2024 (Current Year)				
Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Himanshu Chandra (DIN 07315578)	Additional Director	Change in designation from Additional Director to Director	30-Sep-23
2	Ms. Pallavi Shrivastava (DIN 07677898)	Additional Director	Change in designation from Additional Director to Director	30-Sep-23
Financial Year 2022-2023 (Previous Year)				
Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Amrut Tilak Shah (DIN 00259420)	Executive Director	Aquisition/Takeover (Resignation)	12-Aug-22
2	Mr. Praful Keshavji Dedhia (DIN 01103424)	Executive Director	Aquisition/Takeover (Resignation)	12-Aug-22
3	Mr. Satish Khmji Gala (DIN 01511534)	Executive Director	Aquisition/Takeover (Resignation)	12-Aug-22
4	Mr. Manish Morarji Chheda (DIN 00788736)	Executive Director	Aquisition/Takeover (Resignation)	12-Aug-22
5	Mr. Himanshu Chandra (DIN 07315578)	Additional Director	Aquisition/Takeover (Appointment)	12-Aug-22
6	Ms. Pallavi Shrivastava (DIN 07677898)	Additional Director	Aquisition/Takeover (Appointment)	12-Aug-22

1.2) Committees of the Board and their composition

The company entered in the middle layer during the month of March 2024. The company is in the process of fulfilling the compliances of NBFC-ML, as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.



PROFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)
Notes to Financial Statements for the year ended 31 March 2024
(Amounts in INR lakhs, unless otherwise stated)

1.3) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings.

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	AGM	30/09/2023, Delhi	Regularization of Additional Director Ms. Pallavi Shrivastava as a Director of the Company
		30/09/2023, Delhi	Regularization of Additional Director Mr. Himanshu Chandra as a Director of the Company
2	EGM	14/09/2023, Delhi	To increase the authorized share capital and alter the Memorandum of Association of the Company To consider and approve the adoption of the restated and amended articles of association of the Company
		17/01/2024, Delhi	To approve the overall borrowing limit of up to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only) from Michael & Susan Dell Foundation
		17/01/2024, Delhi	To authorize execution of the transaction documents
3	EGM	17/01/2024, Delhi	To approve issuance and allotment of 120 (one hundred twenty) rupee denominated, unlisted, unrated, secured, transferable, redeemable and interest bearing dematerialized non-convertible debentures of the Company ("Tranche 1 Debentures") each having a face value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) ("Debenture"), by way of private placement
		23/03/2024, Delhi	To approve the overall borrowing limit of up to INR 20,00,00,000/- (Indian Rupees Twenty Crores Only) from Michael & Susan Dell Foundation
4	EGM	23/03/2024, Delhi	To approve issuance and allotment of 120 (one hundred twenty) rupee denominated, unlisted, unrated, secured, transferable, redeemable and interest bearing dematerialized non-convertible debentures of the Company ("Tranche 1 Debentures") each having a face value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) ("Debenture"), by way of private placement

1.4) Details of non-compliance with requirements of Companies Act, 2013

The Company is in the compliance with the requirements of Companies Act, 2013 including with respect to compliance with accounting and secretarial standards.

1.5) Details of penalties and strictures

There was no imposition of penalties and strictures on the company during the FY 2023-24.

2. Breach of covenant

Disclose all instances of breach of covenant of loan availed or debt securities issued.

3. Divergence in Asset Classification and Provisioning

Since no inspection has been done by RBI, hence, this disclosure is not applicable.



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

43 Disclosures in Financial Statements as defined in Annex VII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

A Exposure to Capital Market :-

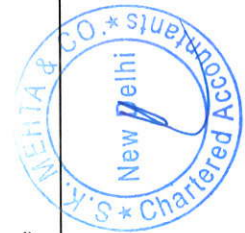
The company has no such transactions during the year.

B Sectoral Exposure :-

		FY 23-24	FY 22-23		
Sectors	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-
2. Industry	-	-	-	-	-
2.1. Micro and Small	-	-	-	-	-
2.2. Medium	-	-	-	-	-
2.3. Large	-	-	-	-	-
Total of Industry (2)	-	-	-	-	-
3. Services	-	-	-	-	-
3.1. Transport Operators	-	-	-	-	-
3.2. Trade	-	-	-	-	-
3.3. Non-Banking Financial Companies (NBFCs) of which	-	-	-	-	-
3.3.1. Housing Finance Companies (HFCs)	-	-	-	-	-
3.3.2. Public Financial Institutions (PFIs)	-	-	-	-	-
Total of Services (3)	-	-	-	-	-
4. Personal Loans	-	-	-	-	-
4.6. Education	-	-	-	-	-
4.8. Loans against gold jewellery	-	-	-	-	-
4.10. Others	-	-	-	-	-
Total of Personal Loans (4)	-	-	-	-	-
5. Others, if any (please specify)	-	-	-	-	-
Loan assets	1,13,237.44	1,655.43	1.46%	34,616.46	-
Total	1,13,237.44	1,655.43	1.46%	34,616.46	-

C Intra Group Exposure :-

Particulars	FY 23-24	FY 22-23
i) Total amount of intra-group exposures	-	-
ii) Total amount of top 20 intra-group exposures	-	-
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)**Notes to Financial Statements for the year ended 31 March 2024**

(Amounts in INR lakhs, unless otherwise stated)

D Related Party Disclosure

Refer Note 32

E Disclosure of complaints**1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

Sr. no	Particulars	FY 23-24
Complaints received by NBFC from its customer		
1	Number of complaints pending at beginning of the year	-
2	Number of complaints received during the year	875
3	Number of complaints disclosed during the year	866
3.1	Of which, number of complaints rejected by NBFC	-
4	Number of complaints pending at the end of the year	9
	Maintainable complaints received by the NBFC from office of ombudsman	N/A
5	Number of maintainable complaints received by NBFC from the office of ombudsman	N/A
5.1	Of 5, number of complaints resolved in favour of the NBFC by office of ombudsman	N/A
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of	N/A
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	N/A
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	N/A

2) Top five grounds of complaints received by the NBFCs from customers

Sr. no	Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the py	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
FY 23-24						
1	Payment- Pool amount transfer	0	337	NA	1	1
2	Dispute	0	180	NA	6	6
3	Cibil	0	47	NA	2	2
4	Disbursal	0	119	NA	0	0
5	Payment	0	149	NA	0	0
6	Cashback	0	43	NA	0	0
	Total	0	875		9	9
FY 22-23						
1	Payment- Pool amount transfer	NA	NA	NA	NA	NA
2	Dispute	NA	NA	NA	NA	NA
3	Cibil	NA	NA	NA	NA	NA
4	Disbursal	NA	NA	NA	NA	NA
5	Payment	NA	NA	NA	NA	NA
6	Cashback	NA	NA	NA	NA	NA
	Total					



PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE HOLDINGS PRIVATE LIMITED)

Notes to Financial Statements for the year ended 31 March 2024

(Amounts in INR lakhs, unless otherwise stated)

44 Details of loans transferred, acquired during the quarter ended March 31, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) (a) Details of loans not in default acquired as given below. These are entirely through assignment / novation:

Particulars	Rs in lakhs
Aggregate amount of Loan acquired (in lakhs)	58,733.08
Weighted average residual maturity (in months)	17.30
Weighted average holding period by originator (in months)	-
Retention of beneficial economic interest by the originator	-
Tangible security coverage	-
Rating-wise distribution of rated loans	-

(i) (a) Details of loans not in default transferred as given below. These are entirely through assignment / novation:
The company has no such transaction.

Nil instances of replacing loans transferred to transferee(s) or paid damages arising out of any representation or warranty

(ii) (a) The Company has not transferred any Special Mention Account (SMA)

(ii) (b) The Company has not transferred any non-performing assets (NPAs).

(iii) The Company has not acquired any stressed loan.

45 Rating of Company

The company got its first rating on April 2, 2024 from CRISIL of BBB/stable.

46 Commitments and Contingencies

There are no commitments and contingencies during the year.

47 Events after the Reporting Period

As per the management, subsequent to the year ending no such events have taken place post Reporting Period.

48 Figures in the previous year have been regrouped and correspondingly ratios are changed wherever necessary, in order to make them comparable to current year.

As per our report of ever date

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N

CA Alok Kumar
Partner
Membership No.: 552781
Place: Delhi
Date: 24/09/2024



For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITED (FORMERLY KNOWN AS HYTONE
HOLDINGS PRIVATE LIMITED)

Pallavi Shrivastava
Director
DIN- 07677898
Place: Delhi
Date: 24/09/2024

Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 24/09/2024

Sushil N. Thaker
Company Secretary
Membership No.: A58600
Place: Delhi
Date: 24/09/2024



UDIN:	24503781BKHIWK1688
MRN/Name:	503781/ALOK KUMAR
Firm Registration No.:	000478N
Document type:	Audit and Assurance Functions
Document sub type:	Statutory Audit - Corporate
Document Date:	24-09-2024
Create Date/Time:	24-09-2024 17:26:58
Financial Figures/Particulars:	01-04-2023-31-03-2024
Financial Year:	AAACH7829P
PAN of the Assessee/ Auditee:	10869.80 LACS
Gross Turnover/Gross Receipt:	52031.18 LACS
Shareholder Fund/Owners Fund:	37.33 LACS
Net Block of Property, Plant & Equipment:	
Document description:	AUDITED FINANCIALS OF PROGFIN PVT LTD (FORMERLY KNOWN AS HYTONE HOLDINGS PVT LTD)





S. K. MEHTA & CO.
CHARTERED ACCOUNTANTS

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26 Rajendra Place, New Delhi - 110008
Ph. : 41544500, 25813879, 25815156
9891138008, 9810321520
E-mail : skmehta@skmehta.co.in
Website : www.skmehta.org

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PROGFIN PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Proffin Private Limited ("the Company"), which comprise the Balance sheet as at 31st March, 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 material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

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") 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 31st March, 2025, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as 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 (the "ICAI") 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 audit opinion on the Financial Statements.

Emphasis of Matter

Attention is drawn to note no. 45.1.2 regarding non-formation of Audit Committee and Nomination and Remuneration Committee as required under Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale based Regulation) Directions, 2023 and related matter thereon.

Our opinion is not modified in respect of the aforesaid matter.



Information other than the Financial Statements and Auditor's 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 Board's Report including specific Annexures to Board's Report and other company related information, but does not include the Financial Statements and our Auditor's Report thereon which are 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 do not and 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 other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management, if required.

Responsibility of Management for the Financial Statements

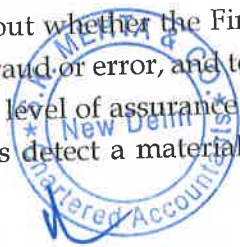
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements 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 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.

We communicate with management 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 management 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.



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, and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of change in Equity and the 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 specified in section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report. 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) The Company is a private limited company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
 - 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 and as represented by the management:
 - (i) The Company doesn't have any impact of pending litigations as at 31st March, 2025 on its financial position in its Financial Statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended 31st March, 2025.
- (iv) (a) The management has represented to us that, to the best of its knowledge and belief, no funds 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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 also represented to us, to the best of its knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to 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 such audit procedures that were 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 Company has not declared or paid any dividend during the current year, hence compliance under section 123 of the Companies Act, 2013 is not applicable to the Company.
- (vi) Based on our examination which included test checks, the company has used an 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For S.K. Mehta & Co.
Chartered Accountants
Firm's Registration Number: 000478N

CA Alok Kumar

Partner

Membership No. 503781

UDIN:

Place: New Delhi

Date: 05/08/2025



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PROGFIN PRIVATE LIMITED.

(Referred to in paragraph 1 under the heading of "Report on other legal and regulatory requirements" section of our report of even date)

i) In respect of its Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

(B) The Company does not have any Intangible Assets, therefore reporting under clause 3(i)(a)(B) of the order is not applicable to Company.

b) As explained to us, Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us, the company does not own any immovable properties hence, reporting under clause 3(i)(c) of the order is not applicable to the Company.

d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not revalued its Property, Plant and Equipment during the year. Accordingly, reporting under clause 3(i)(d) of the order is not applicable to the Company.

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories. Accordingly, reporting under clause 3(ii)(a) of the order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and/ or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks and/ or financial institutions are in agreement with the books of account of the Company.

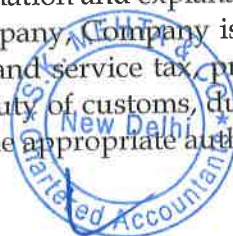
iii) a) The Company's principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the investments made and the terms and conditions of the grant of all loans during the year are, prima facie, not prejudicial to the Company's interest. During



the year, Company has not given any advances in the nature of loans (other than those provided in normal course of business), provided guarantees, or given security.

- c) The Company, being a Non-Banking Financial Company ("NBFC"), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/ Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest are not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note - 42 to the Financial Statements for summarized details of such loans/advances which are not repaid by borrowers as per stipulations.
- d) In respect of the aforesaid loans, Rs. 1,706.00 lakh is overdue for more than ninety days (Refer Note 42 to the Financial Statements) which is excluding the amounts of debts written off. We have been informed that the Company has taken all reasonable steps, including legal actions to recover the principal and the interest, as the case may be.
- e) The Company's principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the order is not applicable to the Company.
- f) According to the information and explanation given to us and books of accounts and records examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under clause 3(iii)(f) of the order is not applicable to the Company.
- iv) According to the information and explanations given to us, there are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. Investments made in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder apply. However, company has received security deposit from dealers/distributors which is held by company as performance security in respect of retailer funding arrangement which in opinion of management is not covered under the definition of deposits as per RBI directives and provisions of the Act and same is being relied upon by us (Refer note-16 to the Financial Statements). We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi) In our opinion and according to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under clause 148(1) of the Act. Accordingly, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, 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 to the appropriate authorities.

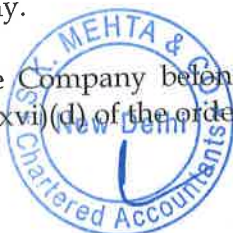


There are no undisputed amounts payable in respect of these statutory dues were outstanding as of March 31, 2025 for period of more than six months from the date they become payable.

- b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Accordingly, reporting clause 3 (viii) of the order is not applicable to the company.
- ix) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in payment of interest thereon to any lenders during the year.
- b) In our opinion, and according to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that Company do not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.
- f) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company do not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(f) of order is not applicable to the Company.
- x) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer during the year. The Company has raised Privately Placed Non-Convertible Debentures during the year and in our opinion and according to the explanations given to us the money raised by way of Privately Placed Non-Convertible Debentures were applied for the purposes for which they were raised.
- b) According to information and explanations given to us and on the basis of our examination of the records 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. Accordingly, reporting under clause 3(x)(b) of the order is not applicable to the Company.



- xi) a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company or on the Company has been noticed or reported during the year. Accordingly, reporting under clause 3(xi)(a) of the order is not applicable to the Company.
- b) No report under sub-section 12 of section 143 of the Act has been filed by Secretarial Auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report. Accordingly, reporting under clause 3(xi)(b) of the order is not applicable to the Company.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year. Accordingly, reporting under clause 3(xi)(c) of the order is not applicable to the Company.
- xii) In our opinion company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the reporting under clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act where applicable, for all transactions with the related parties and detail of such related party transactions have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards. Refer emphasis of matter paragraph in the Auditors Report and note no. 45.1.2 to Financial Statements relating to non - formation of audit committee by the Company and related matter thereon.
- xiv) a) In our opinion and according to the information and explanation given to us, the company has appointed Internal Auditor during the month of March, 2025 to conduct an internal audit of company. In our opinion, presently, internal audit system is not commensurate with the size & nature of its business.
- b) We have considered the internal audit reports of the company issued till date of our audit report, for the period under audit, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, reporting under clause 3(xv) of the order is not applicable to the Company.
- xvi) a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration as Non-Banking Financial Company.
- b) According to information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activity without obtaining a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(b) of the order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the order is not applicable to the Company.
- d) The Group to which the Company belongs has no CIC as part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the order is not applicable.



- xvii) The Company has not incurred cash losses in the current financial year and in the preceding financial year. Accordingly, reporting under clause 3(xvii) of the order is not applicable to the Company.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in the notes to the Financial statements which describe the maturity analysis of assets & liabilities, 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 the 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) In our opinion and according to information and explanations given to us, the Company has incurred expenditure under Corporate Social Responsibility as required by the provisions of Section 135 of the Act and there are no unspent amounts which are to be transferred pursuant to section 135(5) and 135(6) of the Act.

For S.K. Mehta & Co.

Chartered Accountants

Firm's Registration Number: 000478N


CA Alok Kumar

Partner

Membership No. 503781

UDIN:



Place: New Delhi

Date: 05/08/2025

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF PROGFIN PRIVATE LIMITED

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid financial statements 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 Proffin Private Limited ("the Company") as of March 31, 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 Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements 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 ("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 the 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 Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements, both issued by the ICAI. 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 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 auditor's 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Opinion

In our opinion, 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 March 31, 2025, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.K. Mehta & Co.

Chartered Accountants

Firm's Registration Number: 000478N


CA Alok Kumar

Partner

Membership No. 503781

UDIN:

Place: New Delhi

Date: 05/08/2025



PROGFIN PRIVATE LIMITED
Balance Sheet as at 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

	Notes	As at 31st March 2025	As at 31st March 2024
ASSETS			
Financial assets			
Cash and Cash Equivalents	4	10,962.14	2,404.05
Bank Balances other than Cash and Cash Equivalents	5	6,281.08	543.29
Loans	6	154,166.19	112,014.47
Investments	7	1,353.99	-
Other Financials Assets	8	1,889.91	2,291.60
Non Financial Assets			
Current Tax Assets (Net)	9	52.63	116.02
Deferred Tax Assets (Net)	10	395.79	291.44
Property, Plant and Equipment	11	85.23	37.33
Other Non Financial Assets	12	602.83	459.86
Total Assets		175,789.80	118,158.06
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Payables			
A. Trade Payables			
(i) Total Outstanding dues of Micro Enterprises and Small Enterprises	13	40.04	8.74
(ii) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	13	1,768.77	400.08
Debt Securities	14	18,323.03	-
Borrowings (other than debt securities)	15	93,101.91	58,733.08
Other Financial Liabilities	16	2,474.61	6,449.23
Non Financial Liabilities			
Provisions	17	329.96	172.87
Other Non Financial Liabilities	18	874.76	362.88
Equity			
Equity Share Capital	19	3,742.40	3,409.06
Other Equity	20	55,134.32	48,622.12
Total Liabilities and Equity		175,789.80	118,158.06

Material accounting policy information 2
The accompanying notes are an integral part of the Financial Statements
As per our report of even date

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N

CA Alok Kumar
Partner
Membership No.: 503781
Place: Delhi
Date: 05/08/2025



**For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITED**

Pallavi Shrivastava
Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 05/08/2025

Himanshu Chandra
Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 05/08/2025

Shikha Maken
Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 05/08/2025



PROGFIN PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

	Notes	For the year ended 31st March 2025	For the year ended 31st March 2024
Revenue from operations			
Interest Income	21	25,329.93	10,749.80
Total Revenue from operations		25,329.93	10,749.80
Other income	22	469.52	120.00
Total Income		25,799.44	10,869.80
Expenses:			
Finance costs	23	9,898.34	2,521.27
Fees and Commission Expenses	24	2,379.41	692.02
Employee Benefit Expenses	25	7,510.61	4,726.98
Depreciation and amortization	11	33.93	0.09
Impairment and Write Offs	26	2,453.16	1,467.90
Other expenses	27	1,831.19	1,015.23
Total expenses		24,106.63	10,423.49
Profit before tax		1,692.81	446.31
Tax Expense			
Current tax	29	571.69	389.42
Deferred tax expense/ (credit)	29	(104.35)	(250.36)
Tax for earlier years			
- Current Tax		9.60	(7.86)
Profit for the year	(a)	1,215.87	315.11
Other comprehensive income (OCI)			
(A) Items that will not be reclassified to profit or loss			
(i) Re-measurement losses on defined benefit plans		(39.45)	(2.95)
(ii) Income Tax Impact Thereon		9.93	0.74
sub-total		(29.52)	(2.21)
(B) Items that will be reclassified to profit or loss			
sub-total		-	-
Other comprehensive income for the year, net of taxes	(b)	(29.52)	(2.21)
IX. Total comprehensive income for the year	(a) + (b)	1,186.36	312.90
Earnings per share:			
Basic EPS attributable to equity shareholders	28	3.48	1.20
Diluted EPS attributable to equity shareholders	28	3.48	1.20

Material accounting policy information

2

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

 For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N

 CA Alok Kumar
Partner

 Membership No.: 503781
Place: Delhi

Date: 05/08/2025


 For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITED

 Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 05/08/2025

 Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 05/08/2025

 Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 05/08/2025


PROGFIN PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31 March 2025
(Amounts in lakhs INR, unless otherwise stated)

Equity Share Capital:

Particulars	No. of shares
Equity shares of INR 10 each issued, subscribed and fully paid up	
At 1st April 2024	34,090,599.59
Issued during the year	5,333,333.00
At 31st March 2025	39,423,932.59
At 1st April 2023	24,157,300.00
Issued during the year	13,923,400.00
At 31st March 2024	34,090,599.59

Particulars	Equity share capital (Refer note 19)	Reserves and Surplus				Other Comprehensive Income	Total equity
		Share Premium (Refer note 20)	Retained earnings (Refer note 20)	Reserve fund as per RBI Act (Refer note 20)	Deemed equity (Refer note 20)	Remeasurement of defined benefit plans (Refer note 20)	
At 1st April 2024	3,409.06	46,764.08	651.25	163.35	1,045.65	(2.21)	52,031.18
Profit after tax	-	-	1,215.87	-	-	-	1,215.87
Other Comprehensive Income (net of tax)	-	-	-	-	-	(29.52)	(29.52)
Issue of Shares	333.34	-	-	-	-	-	333.34
Premium on issue of Equity shares during the year (net of share issue expense)	-	4,666.66	-	-	-	-	4,666.66
Transfer to Reserve Fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-	(243.17)	243.17	-	-	-
Contribution by Holding Company	-	-	-	-	659.19	-	659.19
At 31st March 2025	3,742.40	51,430.74	1,625.96	406.52	1,704.84	(31.73)	58,876.71
At 1st April 2023	2,015.73	27,257.41	399.16	100.33	31.28	-	29,803.91
Profit after tax	-	-	315.11	-	-	-	315.11
Other Comprehensive Income (net of tax)	-	-	-	-	-	(2.21)	(2.21)
Issue of Shares	1,393.33	-	-	-	-	-	1,393.33
Premium on issue of Equity shares during the year (net of share issue expense)	-	19,506.67	-	-	-	-	19,506.67
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-	(63.02)	63.02	-	-	-
Contribution by Holding Company	-	-	-	-	1,014.37	-	1,014.37
At 31st March 2024	3,409.06	46,764.08	651.25	163.35	1,045.65	(2.21)	52,031.18

2

Material accounting policy information
The accompanying notes are an integral part of the Financial Statements
As per our report of even date

For S.K. Mehta & Co.
Chartered Accountants
FRN 000478N



For and on behalf of the Board of the Directors of PROGFIN PRIVATE LIMITED

[Signature]
Himanshu Chaudhary
Director
DIN: 07315578
Place: Delhi
Date: 05/06/2025

[Signature]
Rudra Kumar
CEO & Whole Time Director
DIN: 07677898
Place: Delhi
Date: 05/06/2025

[Signature]
Shikha Malhotra
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 05/06/2025



PROGFIN PRIVATE LIMITED

Statement of Cash Flows for the year ended 31 March 2025
(Amounts in lakhs INR, unless otherwise stated)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Cash Flow from Operating Activities:		
Profit before tax	1,692.81	446.31
Adjustments for:		
Loss/(profit) on sale of Investments	(175.38)	(41.82)
Depreciation and amortization	33.93	0.09
Bad debts written off and impairment allowance	2,453.16	1,467.90
Share based payment expense & guarantee charges	659.19	1,014.37
Loss on sale of fixed assets	0.55	-
Interest expenses	9,196.60	2,324.79
Operating profit/(loss) before working capital changes	13,860.86	5,211.64
Movement in working capital		
(Increase)/decrease in loans	(44,604.89)	(79,019.87)
(Increase)/decrease in other financial assets	401.69	(1,539.66)
Decrease in financial liabilities - trade payables	1,399.99	(135.62)
(Increase)/decrease in other non financial assets	(142.97)	(439.12)
Increase in non financial liabilities - provisions	20.13	164.33
Increase in other financial liabilities	(3,974.62)	3,524.81
Increase in other non financial liabilities	511.88	324.36
Cash used (from)/in operations	(32,527.91)	(71,909.13)
Direct taxes paid (net of refunds)	(624.10)	(652.71)
Net cash used in operating activities	(33,152.01)	(72,561.84)
Cash flow from investing activities		
Purchase of Property, plant and equipment	(81.83)	(37.42)
Sale of Property, plant and equipment	0.01	-
Creation of deposits with remaining maturity for less than twelve months	(5,737.79)	(543.29)
Proceeds from sale / (purchase) of Investments	(1,178.61)	41.82
Net cash used in investing activities	(6,998.22)	(538.89)
Cash flow from financing activities		
Proceeds from issue of equity shares (share capital)	333.34	1,393.33
Proceeds from issue of equity shares (premium)	4,666.66	19,506.67
Proceeds from/repayment of Debt Securities	18,323.03	-
Proceeds from/repayment of Borrowings	34,368.83	49,783.57
Interest paid	(8,983.53)	(2,324.79)
Net cash generated from financing activities	48,708.33	68,358.78
Net increase in cash and cash equivalents	8,558.09	(4,741.95)
Cash and cash equivalents at the beginning of the year	2,404.05	7,146.00
Cash and cash equivalents at the end of the year	10,962.14	2,404.05
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	10,962.14	2,404.05
Total cash and cash equivalents (note 4)	10,962.14	2,404.05

Notes:

1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
As per our report of even date

For S.K. Mehta & Co.

Chartered Accountants
FRN 000478N

CA Alok Kumar
Partner
Membership No.: 303781
Place: Delhi
Date: 05/08/2025



For and on behalf of the Board of the Directors of

Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 05/08/2025

Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 05/08/2025

Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 05/08/2025



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

1 General information

Progfin Private Limited ("PPL" or "the company") from the date of certificate of incorporation on 30th November 2022 under the Companies Act 2013. The registered office of the Company is situated at 76, 1st floor, Okhla (phase 3), Industrial Estate, New Delhi-110020. The Company is registered with Reserve Bank of India (RBI) as non deposit taking Non-systematically important Non Banking Financial Company (NBFC) with Registration no. B - 14.03631 and is certified as Progfin Private Limited.

2 Material Accounting Policy Information

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions') issued by RBI as amended from time to time.

These Financial statements were approved by the Board of Directors in its meeting held on 5th Aug 2025.

2.2 Basis of preparation

The Financial Statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

'- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments and note 33)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the head of finance.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The preparation of these Standalone Financial Statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the Standalone Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

2.3 Functional and presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.4 Summary of material accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these Standalone Financial Statements.

(a) Revenue from operations

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Interest income

The Company recognizes interest using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost. 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 amortized cost of a financial liability.

On initial recognition, the processing fees shall be adjusted from fair value of the loans disbursed by the company. Subsequently, these loans shall be measured at amortized cost by recognizing interest income using EIR over the underlying loan tenure. Thus, the processing fees adjusted on initial recognition shall be recognized over the period of time through interest income. Interest income and ad hoc interest these are recognized on a EIR basis over the life of the loan.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cashflows is recognized on realization.

(b) Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity and other incentives to employees.

Short-term employee benefits

A liability is recognized for short-term employee benefits accruing to employees in respect of salaries, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post-employment and termination benefit costs

Payments to defined contribution benefit plans (i.e. Provident Fund and Employee State Insurance Scheme) are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprises actuarial gains and losses which is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

(c) Share-based payments

Employees of the Company also receive remuneration in the form of share based payment transactions under the parent Company's Employee stock option plan (ESOP) - 2019.

The Company accounts for the share based payments as follows:

Equity settled transactions

The options are measured at their grant date fair value and based on the number of equity instruments expected to vest. Expenses are recognized as part of the employment expenses with reference to the vesting period of these options. To the extent that the Company does not compensate the parent company for the options offered to its employees, a corresponding credit is recognized in the contributed equity.

(d) Taxation

Income tax expense comprises the sum of the tax currently tax payable and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax is not recognized for:

(i) temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

(ii) temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Financial asset at amortized cost
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are subsequently measured at amortized cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss)

- (i) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- (ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets (Debt instruments) that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortized cost criteria or the FVTOCI criteria may irrevocably be designated as at FVTPL and measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

Subsequent measurement and gains and losses

- (i) Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
- (ii) Financial assets at amortized cost - These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
- (iii) Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
- (iv) Equity instruments at FVTOCI - These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL and financial guarantees. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For measurement of loss allowance in case of financial guarantee contracts, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, 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.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 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.

(i) Significant increase in credit risk

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company applies a three-stage approach to measure ECL on financial guarantee contracts. The underlying receivables of debtors migrate through the following three stages based on the change in credit quality since initial recognition.

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Exposures with DPD equal to 31 days but less than or equal to 90 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for underlying receivables of debtors since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

Stage 3: Lifetime ECL – credit impaired

Receivable of debtor is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For receivable of debtors that have become credit impaired, a lifetime ECL is recognized on principal outstanding as at period end.

Exposures with DPD equal to or more than 90 days are classified as stage 3.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the measurement of all expected credit losses for financial guarantee contracts held at the reporting date are based on historical experience, current conditions, and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in a separate component of equity wherein fair value changes are accumulated, and does not reduce the carrying amount of the financial asset in the balance sheet.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation:

(i) to deliver cash or another financial asset to another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Financial liabilities subsequently measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(f) Reclassification of financial assets and liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(h) Impairment of non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(i) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash

(j) Cash and Cash-Equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

(k) Contingent liabilities and Contingent Assets

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by occurrence or non - occurrence of one or more uncertain events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable on the basis of judgement of management. These are assessed continuously to ensure that developments are appropriately reflected in the Financial Statements.

(l) Financial Guarantee Asset

The parent Company has issued a financial guarantee against loan taken by the Company. The financial guarantee has been recognized as an asset at fair value, and is amortized over the period of the loan as required by Ind AS 109.

(m) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issue data later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(n) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

(o) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates then separately based on their specific useful lives.

Cost of an item of property, plant and equipment comprises its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are

Derecognition



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. 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 included in the income statement when the asset is derecognized.

Depreciation and amortization

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in the statement of profit and loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Assets category	Estimated useful life
• Computers	3 years
• Office Equipments	5 years

Depreciation on additions to PPE is provided on a prorata basis from the date the assets are acquired/installed. Depreciation on sale or disposal of assets is provided upto the date of sale/disposal.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

3 Use of judgement and estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognized prospectively in current and future periods. Therefore actual results could differ from the estimates recognized in the period in which estimate is revised if the revision affects only that period, in the period of revision and future periods if the revision affects both current and future periods.

(i) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management assumptions are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Refer Note 28 for further details.

c) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

4 Recent accounting pronouncements

A. Below is a summary of the new standards and key amendments that are effective for the first time for periods commencing on or after 1 April 2024 (i.e. years ended 31 March 2025):

Lease liability in sale and leaseback – Amendments to Ind AS 116 - On 9 September 2024, the MCA notified the narrow-scope amendments to the requirements for sale and leaseback transactions in Ind AS 116 which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

Insurance Contracts - Ind AS 117 - The MCA notified the new accounting standard Ind AS 117, 'Insurance Contracts', on 12 August 2024 replacing Ind AS 104, 'Insurance Contracts'. The new standard requires an entity to apply Ind AS 117 for annual reporting periods beginning on or after 1 April 2024.

B. Standard issued but not effective

On 7th May, 2025, the MCA has notified amendment to IND AS 21 to help entities to determine whether a currency is exchangeable into another currency and which spot exchange rate to use when it is not.

The Company does not expect these amendments to have a material impact on its financial statements.



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

Financial assets			
4	Cash and cash equivalents	As at 31st March 2025	As at 31st March 2024
	Balance with bank		
	- In current accounts	10,962.14	2,404.05
	Total	10,962.14	2,404.05
5	Bank balances other than cash and cash equivalents	As at 31st March 2025	As at 31st March 2024
	Deposits with Banks		
	- Remaining maturity for less than twelve months*	6,281.08	543.29
	Total	6,281.08	543.29

*Deposits with banks amounting to INR 4271.08 Lakhs (PY INR 543.29 Lakhs) are under lien for borrowing arrangement.

6	(A) Loans at amortized cost	As at 31st March 2025	As at 31st March 2024
	Term Loan	54,771.44	2,856.06
	Working Capital	100,672.21	110,381.38
	Gross Loans	155,443.65	113,237.44
	Less : Provision for Impairment loss	(1,277.46)	(1,222.97)
	Total	154,166.19	112,014.47
	(B)		
	Secured, considered good	-	-
	Unsecured, considered good	155,443.65	113,237.44
	Gross Loans	155,443.65	113,237.44
	Less : Provision for Impairment loss	(1,277.46)	(1,222.97)
	Total	154,166.19	112,014.47
	(C)		
	I. Loans in India		
	i) Public Sector	-	-
	ii) Others	155,443.65	113,237.44
	Gross Loans	155,443.65	113,237.44
	Less : Provision for Impairment loss	(1,277.46)	(1,222.97)
	Total - Net loans (a)	154,166.19	112,014.47
	II. Loans Outside India (b)	-	-
	Total - Net loans (a) + (b)	154,166.19	112,014.47

7	Investments	As at 31st March 2025	As at 31st March 2024
	(A)		
	Investments at FVTPL		
	Mutual Funds*	1,353.99	-
	(Investment in SBI Liqui Fund of 33,369.99 units at NAV per unit of INR 4055.94.)		
	Total Net Investments	1,353.99	-
	(B)		
	Investment in India	1,353.99	-
	Investment Outside India	-	-
	Total Net Investments	1,353.99	-

* For valuation methodology refer note 35.



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

8 Other Financial Assets	As at 31st March 2025	As at 31st March 2024
Unbilled Revenue	132.22	11.76
Employee Advances	44.70	66.10
Due from holding company	-	877.98
Other Receivables	1,712.98	1,335.76
Total	1,889.91	2,291.60
Non Financial assets		
9 Current Tax Assets/Liability (Net)	As at 31st March 2025	As at 31st March 2024
Advance Tax Paid (net of provision)	52.63	116.02
Total - Assets/(Liability)	52.63	116.02
10 Deferred Tax Assets (Net)	As at 31st March 2025	As at 31st March 2024
Deferred Tax*	395.79	291.44
Total	395.79	291.44
<i>*For detail breakup refer note no-29.</i>		
12 Other Non Financial Assets	As at 31st March 2025	As at 31st March 2024
Other Advances	-	6.88
Supplier Advances	42.41	30.05
GST Receivable	169.40	78.20
Prepaid Expenses	391.02	344.73
Total	602.83	459.86



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

11 Property, Plant and Equipment

		Computer & Office Equipments
Gross carrying amount		
As at 31st March 2023		-
Additions		37.42
Disposals/Adjustments		-
As at 31st March 2024	(A)	37.42
Additions		82.39
Disposals/Adjustments		-1.63
As at 31st March 2025	(B)	118.18
Accumulated depreciation and impairment losses		
As at 31st March 2023		-
Charged for the year		0.09
Disposals/Adjustments		-
As at 31st March 2024	(C)	0.09
Charged for the year		33.93
Disposals/Adjustments		-1.07
As at 31st March 2025	(D)	32.95
Net carrying amount as at 31st March 2025	(B)-(D)	85.23
Net carrying amount as at 31st March 2024	(A)-(C)	37.33



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

14 Debt Securities	As at 31st March 2025		As at 31st March 2024	
	At amortised cost	Total	At amortised cost	Total
(A)				
Secured				
Redeemable non-convertible debentures	15,975.00	15,975.00	-	-
Unsecured				
Commercial Papers	2,500.00	2,500.00	-	-
Total	18,475.00	18,475.00	-	-
Less: Unamortized transaction cost	-151.97	-151.97	-	-
Total	18,323.03	18,323.03	-	-
(B) Out of above				
Debt securities in India	18,323.03	18,323.03	-	-
Debt securities outside India	-	-	-	-
Total	18,323.03	18,323.03	-	-

Redeemable non-convertible debentures (Secured):

Particulars	As at 31st March 2025	As at 31st March 2024
1500 units having face value of INR 1,00,000 issued to A K Capital on 27th September 2024 where principle is to be repaid in 24 equal monthly installments starting from 27th October 2024.	1,125.00	-
150 units having face value INR 10,00,000 issued to A K Capital on 30th September 2024 where principle is to be repaid in 5 equal montly installments starting from 25th July 2027.	1,500.00	-
3000 units having face value INR 1,00,000 issued to VAM NCD Series IX on 31th January 2025 where principle is to be repaid in 10 equal monthly installments starting from 7th March 2026.	3,000.00	-
3000 units having face value INR 1,00,000 issued to Neo on 29th October 2024 where principle of INR 2950 Lakhs payable on 30th November 2024 and balance principle of INR 50 Lakhs payable on 31st October 2025.	50.00	-
2000 units having face value INR 1,00,000 issued to VAM Series A on 18th October 2024 where principle is to be repaid in 10 equal quarterly installments starting from 13th March 2025.	1,800.00	-
3000 units having face value INR 1,00,000 issued to VAM Series B on 21th October 2024 where principle is to be repaid in 11 equal quarterly installments starting from 31th March 2026.	3,000.00	-
3000 units having face value INR 1,00,000 issued to Dextif Series A on 17th October 2024 where principle is to be repaid in full on 17th February 2026.	3,000.00	-
2500 units having face value INR 1,00,000 issued to Dextif Series B on 20th September 2024 where principle is to be repaid in full on 20th December 2025.	2,500.00	-
TOTAL	15,975.00	-

Commercial Papers (Unsecured):

Particulars	As at 31st March 2025	As at 31st March 2024
500 units having face value INR 5,00,000 issued to VAM on 24th January 2025 where principle is to be repaid in full on 24th April 2025.	2,500.00	-
TOTAL	2,500.00	-

Notes:

- 1) The Rate of Interest on the Commercial Papers is 11.77% for the year ended March 31, 2025.
- 2) All Non Convertible Debentures are redeemable at par and carrying interest rate ranging from 11% p.a. to 13% p.a.
- 3) The above Secured Non-Convertible Debentures are secured by hypothecation of receivables under financing activities. The Company has maintained the required Security Cover.
- 4) Above borrowings were used fully for the purpose for which the same were obtained.
- 5) There was no defaults in the repayment of the above borrowings.
- 6) The amount disclosed above represent the principal outstanding as at March 31, 2025 and as at March 31, 2024.
- 7) The quarterly returns or statements filed by the Company with banks or financial institutions or trustees are in agreement with books of accounts.
- 8) The interest on all Non Convertible Debenture and Commercial Papers is payable on monthly basis.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

Financial Liabilities

13 Trade Payables

	As at 31st March 2025	As at 31st March 2024
Total Outstanding dues of Micro Enterprises and Small Enterprises	40.04	8.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,768.77	400.08
Total	1,808.81	408.82

*For details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006 refer note no-32.

Ageing	Outstanding for following periods from date of transaction as on 31st March 2025					Total
	Particulars	Unbilled	upto -1 year	1-2 Years	2-3 years	More than 3 ;
MSME		-	40.04	-	-	40.04
Others		-	1,768.77	-	-	1,768.77
Disputed dues - MSME		-	-	-	-	-
Disputed dues - Others		-	-	-	-	-
Total		-	1,808.81	-	-	1,808.81

Particulars	Outstanding for following periods from date of transaction as on 31st March 2024					Total
	Unbilled	upto -1 year	1-2 Years	2-3 years	More than 3 ;	
MSME	-	8.74	-	-	-	8.74
Others	-	400.08	-	-	-	400.08
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	-	408.82	-	-	-	408.82



15 Borrowings (other than debt securities)

	As at 31st March 2025	As at 31st March 2024
Term Loans		
At Amortized Cost		
Term Loans		
- From Banks	11,198.40	5,375.00
- From Others	29,371.87	30,037.54
- External Commercial Borrowings	1,200.00	-
Loan Repayable on demand		
- Working capital Loans from banks and financial institutions	22,432.52	5,500.00
- Other loans from banks	-	3,713.74
Others		
Pass Through Certificate	16,476.37	6,079.04
Other Corporate Deposits	12,422.75	8,027.76
Total	93,101.91	58,733.08
Unsecured		
	80,679.15	50,705.32
Total	93,101.91	58,733.08
In India		
	91,901.91	58,733.08
Outside India		
	1,200.00	-
Total	93,101.91	58,733.08

Notes:

1. Term Loan from Bank is repayable in monthly installments having maturity period ranging from 12 months to 24 months and rate of interest on such loans is ranging from 10.75% p.a. to 11.75% p.a.
2. Term Loan from Others is repayable in monthly installments having maturity period ranging from 12 months to 24 months and rate of interest on such loans is ranging from 10.25% p.a. to 12.75% p.a.
3. Term Loan from ECB is repayable on 2nd April 2027 and rate of interest on such loan is 5.50% p.a.
4. ICDs are taken from companies within group having rate of interest 10% p.a..
5. The Company has not defaulted in the repayment of borrowings and interest thereon for the year ended March 31, 2025 and March 31, 2024.
6. Term Loans, Working capital loans and pass through certificates are secured by first and exclusive charged by way of hypothecation over identified qualifying loan receivable.
7. Other loans represents loans taken against the hypothecations of Fixed Deposit Receipts held by holding company.
9. Parent Company has provided Corporate Guarantee against the borrowings by the Company from the Bank and others.
10. The quarterly returns or statements filed by the Company with banks or financial institutions are in agreement with books of accounts.



	As at 31st March 2025	As at 31st March 2024
16 Other Financial Liabilities		
Interest Accrued but not due		
-On Term Loans	153.84	151.50
-On Working Capital Loan	122.33	36.63
-On Pass Through Certificate	60.82	3.58
-On Non Convertible Debentures	67.79	-
Margin Money/ Security deposits (foot note 1)	561.27	6,257.52
Other Payable	262.11	-
Payable to holding company	1,246.44	-
Total	2,474.61	6,449.23

Note:

1) The company has received deposits from dealers / distributors as a performance security for providing funding to their retailer networks. Till 31st March 2025, company has transferred deposits amounting to INR 4783.78 lakhs to the holding company, as per arrangement entered with the dealer where in dealers has permitted the company to transfer deposits collected by the company. In addition to above, dealers are now remitting such deposits directly to holding company and repayments are made from holding company. Balance deposit outstanding represents deposits which are yet to be transferred to holding company. In the view of management, such deposits are not under the preview of definition of deposits as per RBI directives and the Companies Act 2013, as same are being received in ordinary course of business.

Non Financial Liabilities

17 Provisions	As at 31st March 2025	As at 31st March 2024
Provision for gratuity	329.96	172.87
Total	329.96	172.87
18 Other Non Financial Liabilities	As at 31st March 2025	As at 31st March 2024
Statutory Dues	171.47	185.01
Income received in advance	703.29	177.87
Total	874.76	362.88



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in lakhs INR, unless otherwise stated)

19 Share capital
19 A Authorized share capital

Equity Shares (Face Value INR 10 per share)	
Number of shares	Amount
21,000,000.00	2,100.00
19,000,000.00	1,900.00
40,000,000.00	4,000.00
40,000,000.00	4,000.00

19 B Issued, subscribed and fully paid up share capital

Equity Shares (Face Value INR 10 per share)	
Number of shares	Amount
20,157,300.00	2,015.73
13,933,300.00	1,393.33
34,090,600.00	3,409.06
3,333,333.00	33.34
37,423,933.00	3,742.40

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held. In the event of liquidation of the company the holders of equity share will be entitled to receive the assets in proportion to the number of equity shares held by each of them.

19 C Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Number	Amount
20,157,300.00	2,015.73
13,933,300.00	1,393.33
34,090,600.00	3,409.06
3,333,333.00	33.34
37,423,933.00	3,742.40

During the year the company issued 33,33,333 (PY 1,39,33,339 shares) of face value INR 10 at a premium of INR 140

19 D Details of promoter shareholding

Shares held by promoters at the end of the year

As at 31st March 2025			As at 31st March 2024		
Number	%		Number	%	
37,423,933.00	100%		34,090,600.00	100%	
37,423,933.00	100%		34,090,600.00	100%	

Equity shares

Desiderata Impact Ventures Private Limited

There is no change in promoters shareholding for the year ending 31st March 2025.



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in lakhs INR, unless otherwise stated)

19 E Details of shareholders holding more than 5% shares in the Company

	As at 31st March 2025		As at 31st March 2024	
	Number	%	Number	%
Equity shares				
Desiderata Impact Ventures Private Limited	37,423,933.00	100.00%	34,090,600.00	100.00%

19 F No shares have been allotted without payment of cash or by way of bonus/Bought Back of shares during the period of five years immediately preceding the balance sheet date.

19 G There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment

20 Other equity

20 A Securities premium reserve

As at 1st April 2023	27,257.41	Amount (in INR lakhs)
Premium on issue of equity shares during the year	19,506.67	
As at 31st March 2024	46,764.08	
Premium on issue of equity shares during the year	4,666.66	
As at 31st March 2025	51,430.74	

20 B Retained earnings

As at 1st April 2023	399.16	
Profit for the year	315.11	
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(63.02)	
As at 31st March 2024	651.25	
Profit for the year	1,215.87	
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(243.17)	
As at 31st March 2025	1,623.95	

20 C RBI Special Reserve

As at 1st April 2023	100.33	
Additions during the year	63.02	
As at 31st March 2024	163.35	
Additions during the year	243.17	
As at 31st March 2025	406.52	

20 D Deemed Equity

As at 1st April 2023	31.28	
Contribution during the year	1,014.37	
As at 31st March 2024	1,045.65	
Contribution during the year	659.19	
As at 31st March 2025	1,704.84	



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

20 E Other Comprehensive Income

Remeasurement of defined benefit plans

As at 1st April 2023

Amount for the year

As at 31st March 2024

Amount for the year

As at 31st March 2025

(2.21)

(2.21)

(29.52)

(31.73)

Total other equity

As at 31st March 2024

As at 31st March 2025

48,622.12

55,134.32

Nature and Purpose of Reserves

Securities Premium Reserve	Security premium reserve is used to record the premium on the issue of shares. The reserve will be utilized in accordance with provisions of the Companies Act, 2013.
Special Reserve Account/Statutory Reserve	Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.
Retained Earnings	Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.
Deemed Equity	Financial guarantees charges against loans taken by the company provided free of cost and cost of employee share based payments for share options of holding company.



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
21 Interest Income		
Interest Income on loans (at amortized cost) on EIR	23,068.18	10,535.04
Fees and incidentals	2,261.75	214.76
Total	25,329.93	10,749.80
22 Other Income		
Interest on fixed deposit	146.75	68.65
Realised gain on sale of investment	160.27	41.82
Net gain on fair valuation of investment measured at FVTPL	15.11	-
Miscellaneous Income	147.38	9.53
Total	469.52	120.00
23 Finance costs		
Interest expense on borrowings	9,196.60	2,324.79
Other borrowing cost	701.74	196.48
Total	9,898.34	2,521.27
24 Fees and commission expense		
Fees and commission expense	2,379.41	692.02
Total	2,379.41	692.02
25 Employee benefits expense		
Salaries, wages and bonus	7,096.02	3,782.64
Gratuity expenses	105.64	67.74
Share based payment expenses*	308.95	876.60
Total	7,510.61	4,726.98
<i>*ESOP's have been granted to the employees of the company wherein shares of parent company (Desiderata Impact Ventures Private Limited) will be issued.</i>		
26 Impairment and Write Offs		
Impairments provisions	54.49	1,069.03
Loss on settlement and loan closure	158.89	70.62
Bad debt written off (net of recoveries)	2,239.78	328.25
Total	2,453.16	1,467.90



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

27 Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Advertisement Expense	29.08	7.82
Travelling and conveyance	332.94	241.09
Payment to Auditors*	7.50	6.70
Legal and professional fees	380.03	389.83
Stamp Paper & E sign Fee	104.10	20.02
GST Expenses	90.40	8.80
Bank charges	17.17	41.83
CIBIL Verification Expenses	95.47	62.53
ROC Fees	1.96	11.10
Rent, Repairs and Taxes	74.51	50.22
Insurance Charges	52.90	52.48
Housekeeping expense	21.88	17.48
CSR Expense	6.47	-
Collection deficiency charges	298.52	-
Guarantee fees	204.58	89.16
Miscellaneous Expenses	113.68	16.17
Total	1,831.19	1,015.23

Payment to Auditors*As auditor:**

	For the year ended 31 March 2025	For the year ended 31 March 2024
Audit fee	6.00	5.20
Tax Audit Fee	1.50	1.50
	7.50	6.70

28 Earnings per share (EPS)

The following reflects the profit and share data used for the basic and diluted EPS computations:

	For the year ended 31 March 2025	For the year ended 31 March 2024
Net profit for calculation of basic EPS	1,215.87	315.11
Weighted average number of equity shares for calculating basic EPS	34,923,933	26,162,849
Basic earnings per share	3.48	1.20
Net profit for calculation of diluted EPS	1,215.87	315.11
Weighted average number of equity shares for calculating diluted EPS	34,923,933	26,162,849
Diluted earnings per share	3.48	1.20
Face value per share	10	10



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

29 Income taxes

The major components of income tax expense/(credit) are :

a) Income tax expense/(credit) recognized in Statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax		
Current income tax for the year	571.69	389.42
	571.69	389.42
Deferred tax		
Relating to origination and reversal of temporary differences	(104.35)	(250.36)
	(104.35)	(250.36)
Excess/short provision of tax of earlier years		
Tax expense for earlier years	9.60	(7.86)
	9.60	(7.86)
Total income tax expense/(credit)	476.94	131.20

b) Income tax expense/(credit) recognized in Other Comprehensive Income (OCI)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax		
Current income tax for the year	(9.93)	(0.74)
Total income tax expense/(credit)	(9.93)	(0.74)

c) The income tax expense for the year can be reconciled to the profit before tax as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	1,692.81	446.31
Accounting profit before income tax		
Tax expense at statutory income tax rate of 22% plus applicable surcharge and Cess (31 March 2024: 22%)	426.08	112.34
Add: impact of expenses not deductible	50.86	18.86
Tax expense at the effective income tax rate of 28.17% (31 March 2024: 29.23%)	476.94	131.20

c) Breakup of deferred tax recognized in the Balance sheet

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred tax asset:		
Gratuity	53.57	19.38
Impact of income / expense deferred	57.72	-
Impairment: loss on lending business	289.07	279.45
Total deferred tax assets	400.37	298.83
Deferred tax liabilities		
Related to property, plant and equipment	4.58	7.39
Total deferred tax liabilities	4.58	7.39
Net deferred tax assets/(liabilities)	395.79	291.44



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

30 Employee benefits**A Defined benefit plans Gratuity - defined benefit plan**

The Company's gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary payable for each completed year of service or part thereof in excess of 6 months, subject to a maximum limit of INR 2 million in terms of the provisions of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date.

The amount included in the balance sheet arising from the company's obligation in respect of its gratuity plan is as follows:

	As at 31st March 2025	As at 31st March 2024
Gratuity Defined benefit plan		
Present value of un-funded defined benefit obligation	329.96	172.87
	329.96	172.87
a) Reconciliation of the net defined benefit liability		
Reconciliation of present value of defined benefit obligation of gratuity		
Balance at the beginning of the year	172.87	6.33
Current service cost	93.21	63.68
Net Interest Cost	12.43	4.06
Actuarial (Gain)/Loss on total liabilities:		
- due to change in financial assumptions	10.10	6.04
- due to change in demographic assumptions	-	(48.29)
- due to experience variance	29.34	45.20
Liability Transferred In / (out) - Net Benefit Paid	23.62	95.85
	(11.61)	-
Balance at the end of the year	329.96	172.87

b) Amount recognized in statement of profit and loss:

	For the year ended 31 March 2025	For the year ended 31 March 2024
--	-------------------------------------	-------------------------------------



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in lakhs INR, unless otherwise stated)

Current service cost

Net Interest Cost

Recognized in profit or loss

93.21	63.68
12.43	4.06
105.64	67.74

c) Amount recognized in other comprehensive income:

Actuarial gain / (loss) on liabilities

Actuarial gain / (loss) on assets

Recognized in other comprehensive income

The most recent actuarial valuations of the present value of the defined benefit liability were carried out at 31 March 2025. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

For the year ended 31 March 2025	For the year ended 31 March 2024
(39.45)	(2.95)
(39.45)	(2.95)

d) The principal assumption used for the purpose of actuarial valuation are as follows:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31st March 2025	As at 31st March 2024
Discount rate	6.54%	7.19%
Expected rate of salary increase	8.00%	8.00%
Retirement age	60yrs	60yrs
Attrition rate	20%	20%
Mortality table	100% of IALM 2012-14	100% of IALM 2012-14

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

e) The plan typically exposes the Company to actuarial risks such as: interest rate, longevity risk and salary risk.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment.

An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk



PROGEN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

f) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity**For the year ended 31 March 2025**

	Increase	Decrease
Impact of change in discount rate by 0.5%	7.82	8.19
Impact of change in salary by 1%	15.37	14.54
Impact of change in employee turnover rate by 5%	25.57	29.48

For the year ended 31 March 2024

Impact of change in discount rate by 0.5%	4.58	4.80
Impact of change in salary by 1%	9.42	8.82
Impact of change in employee turnover rate by 5%	19.69	22.43

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions

g) The table below summarizes the maturity profile and duration of the gratuity liability:

Particulars	As at 31st March 2025	As at 31st March 2024
1st following year	24.69	7.18
2nd following year	37.83	11.97
3rd following year	51.50	21.82
4th following year	49.54	30.11
5th following year	47.10	28.83
Sums of year 6 to 10	268.58	173.62
	479.24	273.53



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

31 Capital management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and-
Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders.

Particulars	As at 31st March 2025	As at 31st March 2024
Net debts*	100,462.79	55,785.74
Total equity	58,876.72	52,031.18

*Net debts = Long term borrowings + short term borrowing – cash and cash equivalents

Gearing Ratio

The Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total equity (as shown in the statement of assets and liabilities).

The gearing ratio at end of the reporting year was as follows.

Particulars	As at 31st March 2025	As at 31st March 2024
Debt Securities	18,323.03	-
Borrowings	93,101.91	58,733.08
Cash and cash Equivalents	10,962.14	2,947.34
Adjusted Net Debt (A)	100,462.79	55,785.74
Total Equity (B)	58,876.72	52,031.18

Net Debt to Equity Ratio

1.71

1.07

Debt is defined as long-term and short-term borrowings

Capital Adequacy Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under

Particulars	As at 31st March 2025	As at 31st March 2024
Capital Adequacy Ratio	40.30%	45.22%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2025 and 31st March, 2024.

32 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	As at 31st March 2025	As at 31st March 2024
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	40.04	8.74
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

33 Employee Stock Option Plan – 2019 ("The 2019 Plan")

The Parent company established the Progcap Stock Option Policy 2019 which was approved by the shareholders vide their special resolution dated on date Month 2019. Options under the said plan have been issued to the employees of the company.

Vesting condition: The vesting condition of options is continued employment and completion of service period.

Vesting period: The company has issued the options with graded vesting. The options vest in 4 tranches of 25% each over a period of 1- 4 years

Exercise period: Options vested shall be eligible to be exercised within one month of expiry of seven years from the date of grant or upon occurrence of a corporate action, whichever is earlier. The option shall lapse if not exercised within the exercise period.

a. The following table represents movement during the year

	As at 31st March 2025		As at 31st March 2024	
	No of options	W A E P	No of options	W A E P
Outstanding at the beginning of the year	685.38		104.90	9,767
Options granted during the year	90.33		587.03	18,679
Options exercised during the year	-		-	-
Options forfeited during the year	65.09		6.55	9,767.00
Options cancelled	-		-	-
Unvested Options Outstanding at the end of the year	710.62		685.38	
Exercisable at the end of the year				

The share options outstanding at the end of the year had a weighted average exercise price of INR 3,21,431 and a weighted average remaining contractual life of 6.67 years.

b The range of Exercise Price for March 2024 and March 2025 is INR 10 - INR 8,97,893

	For the year ended 31 March 2025	For the year ended 31 March 2024
	308.95	876.60

c Expense arising from equity-settled share-based payment transactions

The weighted average fair value of options granted under the ESOP 2019 scheme during the year was INR 4,31,624 per option.

d The estimation of fair value on date of grant was made using the Black-Scholes model in Holding Company with the following assumption :

Inputs for measurement of grant date fair values of ESOPs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Exercise price- (in INR)	10 - 6,02,517	10 - 8,97,893
Fair value at grant date- (in INR)	3,55,566 - 6,02,517	155,042 - 8,97,893
Expected Volatility (Standard Deviation - Annual)	51.00%	52.12%
Risk free rate	7.58%	7.27%
Dividend yield	0%	0%



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in lakhs INR, unless otherwise stated)

34 Related Party Disclosures**a) Parent and ultimate controlling party**

During the year ended 31 March 2023, 100% of the Company's shares were acquired by Desiderata Impact Ventures Private Limited making it the new holding company.

a) Names of related parties and related party relationship

The names of related parties where control exists and/or with whom transactions have taken place during the period and description of relationship as identified by the management are:

Name	Designation
Pallavi Shrivastava	CEO & Whole Time Director
Himanshu Chandra	Director
Desiderata Impact Ventures Private Limited	Parent Company
Procap Financial Services Pvt. Ltd.	Fellow subsidiary

b) Transactions with Related Parties

Particulars	As at 31st March 2025	As at 31st March 2024
Expenses Payable		
Desiderata Impact Ventures Private Limited	332.16	50.80
Management Fees		
Desiderata Impact Ventures Private Limited	2,006.56	632.02
Guarantee fees		
Desiderata Impact Ventures Private Limited	350.24	89.33
Interest on Inter Corporate Deposits		
Desiderata Impact Ventures Private Limited	979.72	345.58
Procap Financial Services Private Limited	12.11	1.17
Issue of capital (including premium)		
Desiderata Impact Ventures Private Limited	5,000.00	20,900.00
Purchase of Property, Plant and Equipment		
Desiderata Impact Ventures Private Limited		34.33
Inter Corporate Deposits (Taken)		
Desiderata Impact Ventures Private Limited (Net)	12,222.76	8,027.76
Procap Financial Services Private Limited	200.00	201.05
c) Outstanding Balances with Related Common control		
Desiderata Impact Ventures Private Limited - payable/(recoverable)	1,246.44	(877.98)
Desiderata Impact Ventures Private Limited - ICD payable	12,222.76	8,027.76
Procap Financial Services Private Limited - ICD payable	200.00	-
Procap Financial Services Private Limited - payable/(recoverable)	12.11	-

d) All transactions with Related Parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business

e) Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans and Guarantees (net of provision)

There are no such transactions during the year.



PROFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

35 Financial Instruments

Set out below, are the fair values of the financial instruments of the Company, including their accounting classifications:

A Category-wise classification and their carrying value for financial assets and Liabilities:

Particulars	Level	As at 31st March 2025		As at 31st March 2024	
		Amortised Cost	FVTPL	Amortised Cost	FVTPL
ASSETS					
I) Measured at amortized cost:					
Cash and Cash Equivalents (Refer Note 4)	Level 3	10,962.14	-	2,404.05	-
Bank Balances other than Cash and Cash Equivalents (Refer Note 5)	Level 3	6,281.08	-	543.29	-
Loans (Refer Note 6)	Level 3	154,166.19	-	112,014.47	-
Other Financials Assets (Refer Note 8)	Level 3	1,889.91	-	2,291.60	-
II) Measured at FVTPL					
Investments (Refer Note 7)	Level 1	-	1,353.99	-	-
Total		173,299.33	1,353.99	117,253.41	-
LIABILITIES					
I) Measured at amortized cost:					
Trade Payables (Refer Note 13)	Level 3	1,808.81	-	408.82	-
Debt Securities (Refer Note 14)	Level 3	18,323.03	-	-	-
Borrowings (Refer Note 15)	Level 3	93,101.91	-	58,733.08	-
Other Financial Liabilities (Refer Note 16)	Level 3	2,474.61	-	6,449.23	-
Total		115,708.36	-	65,591.13	-

B Methods and assumptions:

- For financial assets and financial liabilities that are of short-term nature, the carrying amount itself is considered as its fair value. Such instruments include: other financial assets and other financial liabilities.
- The fair values of loans and receivables are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The fair value is then extrapolated to the portfolio using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. For loans having contractual residual maturity less than one year, the carrying value has been considered as fair value. Impairment loss allowance and adjustments related to effective interest rate are not part of above disclosure.
- The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/ proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.

C There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2025 and 31 March 2024.

D The following is the basis of categorizing the financial instruments measured at fair value into Level 1 to Level 3:

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



	As at 31st March 2025					As at 31st March 2024		
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Outstanding Gross Loans (Days Past Due)								
ECCL Allowance - Opening Balance	230.05	257.50	735.42	1,222.97	128.64	25.30	-	153.94
ECCL Allowance - Recognized during the year	-49.50	281.52	-177.53	54.49	101.41	1,069.03	735.42	1,069.03
ECCL Allowance - Closing Balance	180.55	539.02	557.89	1,277.46	230.05	257.50	735.42	1,222.97

Inputs, assumptions and estimation techniques used to determine expected credit loss

The Company's ECL provision are made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macro-economic parameters. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. The selection of variables was made purely based on business sense.

with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

Write-off policy: Financial assets are written-off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instruments in the Statement of profit and loss. The writeoff decisions are taken by the management which would be based on suitable justification notes presented by the responsible business / collections team.

Cash and cash equivalents and bank deposits
The company maintains its cash and cash equivalents, bank deposits and investment in mutual funds with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Company has applied following assumptions for determination of ECL:

- 1) Definition of Default: The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:
- a) Significant financial difficulty of the borrower or issuer
 - b) A breach of contract such as a default or past due event
 - c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise
 - d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization, or
 - e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.
- 2) "Loss given default" ("LCD") is an estimate of loss from a transaction given that a default occurs.
- 3) "Probability of default" ("PD") is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.
- 4) "Exposure at default" ("EAD") represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company including loan commitments.
- 5) Forward looking information: The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Company is required to provide for impairment allowances based on expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, is lower of the floor provisions as prescribed by RBI for NBFCs.
- The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio. ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).
- In the process of determining the P, the macro economic impact is intrinsically built in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetization etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario
- 6) Assessment of significant increase in credit risk: The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Additionally, there is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency; short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. it summarizes the risk of the borrower that is rated.



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

Division Wise/ Sector wise Risk Concentration

ii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Ultimate responsibility for liquidity risk management rests with the board of directors, who have established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company has access to financing facilities as described below. The Company expects to meet its other obligations from operating cashflows and proceeds of maturing financial assets.

	As at 31st March 2025	As at 31st March 2024
Secured facility:		
- Amount used	80,679.15	50,705.32
- Amount unused	-	-

Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behavior as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

Particulars	As at 31st March 2025			As at 31st March 2024		
	Within 12 months		Total	Within 12 months		Total
		After 12 months			After 12 months	
ASSETS						
Financial assets						
Cash and Cash Equivalents	10,962.14	-	10,962.14	2,404.05	-	2,404.05
Bank Balances other than Cash and Cash Equivalents	6,281.08	-	6,281.08	543.29	-	543.29
Loans	99,844.87	54,321.32	154,166.19	109,189.26	2,825.21	112,014.47
Investments	-	1,353.99	1,353.99	-	-	-
Other Financial Assets	1,889.91	-	1,889.91	2,291.60	-	2,291.60
Non Financial Assets						
Current Tax Assets (Net)	52.63	-	52.63	116.02	-	116.02
Other Non Financial Assets	602.83	-	602.83	459.86	-	459.86
Total Assets	119,633.46	55,675.32	175,308.78	115,004.08	2,825.21	117,829.29
LIABILITIES						
Financial Liabilities						
Trade Payables	1,808.81	-	1,808.81	408.82	-	408.82
Debt securities	8,772.73	9,550.30	18,323.03	-	-	-
Borrowings	41,806.90	51,295.00	93,101.91	17,835.40	40,897.68	58,733.08
Other Financial Liabilities	2,474.61	-	2,474.61	6,449.23	-	6,449.23
Non Financial Liabilities						
Provisions	329.96	-	329.96	172.87	-	172.87
Other Non Financial Liabilities	874.76	-	874.76	362.88	-	362.88
Total Liabilities	55,087.78	60,845.30	115,933.08	25,229.20	40,897.68	66,126.88

Note: Classification of Loans under the different maturity buckets is based on the due date

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in financial funds. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.



(a) **Interest rate risk**
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity disclosed in the below table is attributable to bank overdraft facility availed by the company.

Sensitivity	Impact on profit/loss before tax	
	As at 31st March 2025	As at 31st March 2024
+ 0.5% change in Interest rate	(121.09)	(4.95)
- 0.5% change in Interest rate	121.09	4.95

(b) **Currency risk**
The company does not have foreign currency transactions

(c) **Operational Risk:**
Operational Risk has been defined as "The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events "The risk of direct or indirect potential loss arising from a wide variety of causes associated with the Company's processes, personnel, systems, or from external factors other than strategic and reputation risk. Management of operational risk forms an integral part of Company's enterprise wide risk management systems. The organization thrives towards incremental improvements to its operational risk management framework to address the dynamic industry landscape. Clear strategies and oversight by the Board of Directors and senior management, a strong operational risk management culture, effective internal control and reporting and contingency planning are crucial elements of Company's operational risk management framework.

(d) **Regulatory and Compliance Risk:**
Regulatory compliances are handled by Finance team, Treasury and Business teams in consultation with Company Compliance team. Statutory compliances are handled by Company Secretarial team, Administrative and people process related compliances are handled by Administration & HR departments.



Provisions on Standard Asset	Basis of classification	As at 31st March 2025	As at 31st March 2024
ECL provision	Ind 109	719.57	487.55

Analytical Ratios
The following reflects the ratios and data used in the computation:

Details of benami property held
The Company does not hold any benami property and no proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016), hereinafter the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

ENTRUSTED WITH
The Community has not been declared willful defaulter by any bank or financial institution or government or any government authority.

The Company has complied with the number of lawyers prescribed under the Companies Act, 2013

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

The Company has utilized the borrowing for the purpose it was obtained.

with the understanding that the intermediary shall

b) Provide ~~any~~ *monetary* *security* or the like to or on behalf of the Ultimate Beneficiaries

understanding (whether recorded in writing or otherwise) that the company shall

The Company does not have any transactions with the struck off companies during the year ended March 31, 2025.

PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in INR lakhs, unless otherwise stated)

40 CORPORATE SOCIAL RESPONSIBILITY

- (a) Gross amount required to be spent by the Company during the period INR 6.47 lakhs (Previous year: Nil)
(b) Amount spent during the period/ year ended on:

Particulars	In cash	Yet to be paid in cash	For the year ended 31 March 2025	For the year ended 31 March 2024
(i) Construction / acquisition of any asset	-	-	-	-
(ii) On purposes other than (i) above				
a) Dual Vocational Education & Training at Government ITI's	-	-	-	-
b) Others	6.47	-	6.47	-

- (c) The Company in compliance with requirements set in section 135 of the Companies Act, 2013 and all expenses which were required to be spent, are spent during the year and there is no unspent amount as on 31st March 2025 (PY INR Nil), to be reported as per section 135(5) of Companies Act 2013.



41 Disclosure on Liquidity Risk Management Framework pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106
DoR.FIN.REC.No.4503.10.11/2023-24 dated October 19, 2023 amended from time to time.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	No. of Significant Counterparties	As at 31st March 2025			As at 31st March 2024		
		Amount (See note 15)	% of total liabilities		Amount (See note 15)	% of total liabilities	
1	Northern Arc Capital Ltd	7,660.74	7%		12,437.54	21%	
2	Maa Financial Services	6,375.00	6%		6,291.67	11%	
3	KMIL Term Loan	1,500.00	1%		5,458.33	9%	
4	Yes Bank WCDL	4,000.00	4%		3,000.00	5%	
5	AU Small Finance Bank	5,500.00	5%		2,708.33	5%	
6	Koark Bank WCDL	999.67	1%		2,000.00	3%	
7	Koark Bank Term Loan	4,000.00	4%		1,666.67	3%	
8	Maa PTC	274.42	0%		1,626.11	3%	
9	Federal Bank Term Loan	333.33	0%		1,000.00	2%	
10	Federal Bank WCDL	300.00	0%		500.00	1%	
11	Desiderata Impact Ventures Pvt Ltd ICD	12,222.76	11%		8,027.76	14%	
12	AK Capital NCD	2,625.00	2%		-	0%	
13	ABFL PTC	8,268.75	7%		-	0%	
14	DCB	1,757.33	2%		-	0%	
15	Dextif	5,500.00	5%		-	0%	
16	NRE REM Michael & Susan Dell foundation-ECB	1,200.00	1%		-	0%	
17	GRIP capital-PTC	4,106.67	4%		-	0%	
18	ICICI	833.33	1%		-	0%	
19	IDFC	2,500.00	2%		-	0%	
20	Kisetsu Seaton Finance India Pvt Ltd	6,250.00	6%		-	0%	
21	Miahif(Nabam)	3,128.96	3%		-	0%	
22	Nabkisan	3,000.00	3%		-	0%	
23	NEO	50.00	0%		-	0%	
24	Pinamal	1,041.67	1%		-	0%	
25	RBL	2,500.00	2%		-	0%	
26	Shrinani	2,000.00	2%		-	0%	
27	Suryoday	253.49	0%		-	0%	
28	Ujivan	2,500.00	2%		-	0%	
29	Utsarsh	833.33	1%		-	0%	
30	VAM-CP	2,500.00	2%		-	0%	
31	VAM-NCID	7,800.00	7%		-	0%	
32	Vivriti	3,770.83	3%		-	0%	
33	Proscap Financial Services Pvt Ltd-ICD	200.00	0%		-	0%	
34	Baisi	1,000.00	1%		-	0%	
35	Blacksoil	5,000.00	4%		-	0%	
36	JM Term Loan	-	0%		5,000.00	9%	
37	HLF PTC	-	0%		4,452.93	8%	
38	Tan Capital Term Loan	-	0%		850.00	1%	
39	Yes bank OD against FD	-	0%		3,713.74	6%	
	Total	111,985.28	100%		58,733.08	100%	

Notes:

- 1) A "significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 10% of the NBFC's total liabilities and 10% for other non-deposit taking NBFCs.
- 2) The amount represents the outstanding principal as of the reporting date.

PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in INR lakhs, unless otherwise stated)

(i) Top 20 large deposits

The company has not taken any deposits

(ii) Top 10 borrowings

Particulars	As at 31st March 2025	As at 31st March 2024
Desiderata Impact Ventures Pvt Ltd ICD	12,222.76	8,027.76
ABEL PTC	8,268.75	-
VAM-NCD	7,800.00	-
Northern Arc Capital Ltd	7,660.74	12,437.54
Nas Financial Services	6,375.00	6,291.67
Kiseto Seaton Finance India Pvt Ltd	6,250.00	-
AU Small Finance Bank	5,500.00	2,708.33
Dexif	5,500.00	-
Blacksoil	5,000.00	-
GRIP capital-PTC	4,106.67	-
Yes Bank WCCL	4,000.00	3,000.00
% of total borrowings	65%	55%

(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of Instrument/ Product	Amount	% of total liabilities
1	Commercial Papers	2,500.00	2%
2	External Commercial Borrowings	1,200.00	1%
3	Inter Corporate Deposit	12,422.76	11%
4	Non Convertible Debenture	15,975.00	14%
5	Pass Through Certificate	16,516.12	15%
6	Term Loan	40,851.40	36%
7	Working Capital Demand Loan	22,500.00	20%
	Total	111,985.28	100%

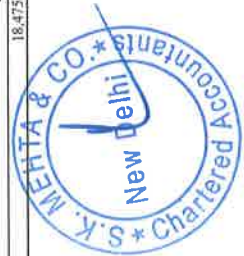
* Outstanding principle amount considered

(v) Disclosure relating to Top 20 deposits and stock ratio are not applicable

(vi) Asset Liability Management:

Maturity pattern of certain items of assets and liabilities as on 31st March 2025

Particulars	Liabilities		Assets	
	Borrowings (other than debt securities)	Debt Securities	Net Advances	Investments
1 - 7 Days	7,666.08	-	10,305.88	1,353.00
8 - 14 Days	1,914.83	-	3,549.42	-
15 - 30 Days	23,777.41	2,562.50	25,243.72	-
Over 1 month to 2 months	8,799.75	62.50	40,279.73	-
Over 2 months to 3 months	-	-	-	-
Over 3 months to 6 months	11,471.94	262.50	42,454.31	-
Over 6 months to 1 year	11,786.73	382.50	21,455.45	-
Over 1 year to 3 years	22,085.80	6,897.73	6,844.97	-
Over 3 years to 5 years	6,006.07	8,302.27	4,093.02	-
Over 5 years	-	-	-	-
Total	93,508.61	18,475.00	154,226.50	1,353.00



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

42 Disclosure on Ind AS implementation - pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/93.10.119/2023-24 dated October 19, 2023 amended from time to time.

As at March 31, 2025:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRAC norms	Difference between Ind AS 109 Provisions and IRAC norms
Performing Assets						
Standard	Stage 1 Stage 2 Stage 3	148,119.43 5,781.70 -	180.55 539.02 -	147,938.88 5,242.68 -	592.48 23.13 -	(411.93) 515.89 -
Subtotal		153,901.13	719.57	153,181.56	615.60	103.96
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,542.52	557.89	984.63	231.38	326.51
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,542.52	557.89	984.63	231.38	326.51
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1 Stage 2 Stage 3	- - -	- - -	- - -	- - -	- - -
Subtotal		-	-	-	-	-
Total	Stage 1 Stage 2 Stage 3 Total	148,119.43 5,781.70 1,542.52 155,443.65	180.55 539.02 557.89 1,277.46	147,938.88 5,242.68 984.63 154,166.19	592.48 23.13 231.38 846.98	(411.93) 515.89 326.51 430.48



PROCFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

As at March 31, 2024:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Less Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRAC norms	Difference between Ind AS 109 Provisions and IRAC norms
Performing Assets						
Standard	Stage 1 Stage 2 Stage 3	109,772.81 1,809.20 17.39	230.05 257.50 7.50	109,542.76 1,551.70 9.89	439.09 7.24 2.61	(209.04) 250.26 4.89
Subtotal		111,599.40	495.05	111,104.35	448.94	46.11
Non- Performing Assets (NPA)						
Substandard	Stage 3	1,638.04	727.92	910.12	245.71	482.21
Doubtful - up to 1 year 1 to 3 years More than 3 years Subtotal for doubtful	Stage 3 Stage 3 Stage 3					
Loss	Stage 3					
Subtotal for NPA		1,638.04	727.92	910.12	245.71	482.21
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification	Stage 1 Stage 2 Stage 3					
Subtotal						
Total	Stage 1 Stage 2 Stage 3 Total	109,772.81 1,809.20 1,655.43 113,237.44	230.05 257.50 735.42 1,222.97	109,542.76 1,551.70 920.01 112,014.47	439.09 7.24 248.31 694.64	(209.04) 250.26 487.11 528.33



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in INR lakhs, unless otherwise stated)

- 43 Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

a. Registration obtained from other financial sector regulators

The Company is registered with the Reserve Bank of India ('RBI') as a non-deposit taking, Non Banking Finance Company ('NBFC'), vide certificate number N-13.02225 dated February 20, 2018, to commence the business of non-banking financial institution without accepting public deposits as NBFC Factors..

b. Disclosure of Penalties imposed by RBI and other regulators

NII

c. Exposure to Capital Market

Particulars	As at 31st March 2025	As at 31st March 2024
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;	-	-
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;	-	-
Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
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 debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
Loans sanctioned to corporates 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;	-	-
Bridge loans to companies against expected equity flows / issues;	-	-
All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

d. Provisions and Contingencies

Sr. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31st March 2025	As at 31st March 2024
i	Provision for depreciation on Investment	-	-
ii	Provision towards NPA (including write off)	2,221.15	1,134.29
iii	Provision made towards Income tax	476.94	131.20
iv	Other Provision and Contingencies (with details)		
(a)	Provision for Gratuity	105.64	67.74
(b)	Provision for Standard Assets	232.02	333.61

e. Concentration of Exposures

Particulars	As at 31st March 2025	As at 31st March 2024
Total Exposure to twenty largest borrowers/customers	12,214.37	19,948.00
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	7.86%	17.62%



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

f. Concentration of NPAs

Particulars	As at 31st March 2025	As at 31st March 2024
Total exposure to top four NPA Accounts	2,993.15	1,070.00

g Information on instances of fraud:

Instances of fraud for the year ended March 31, 2025

Sr. No.	Particulars	As at 31st March 2025	As at 31st March 2024
i	Nature of Fraud	Fraud committed by customer	Fraud committed by customer
ii	No. of Cases	-	-
iii	Amount of fraud	-	-
iv	Recovery	-	-
v	Amount written-off/Provided	-	-

h The Company has no exposure to real estate sector, directly or indirectly as on March 31, 2025 and March 31, 2024.

i Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

Nil

j Details of financing of parent company products

S. No.	Particular	As at 31st March 2025	As at 31st March 2024
i	Inter Corporate Deposits	12,422.75	8,027.76

k The disclosures given in the above notes pursuant to RBI Notifications are only to the extent they are applicable to the Company.

l Draw down from Reserves

Nil

m Related party transactions

Refer note 34

n Remuneration of Directors

Refer note 45

o Investments

Refer note 7

p Capital to risk asset ratio (CRAR)

Refer note 39



PROGFIN PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2025

(Amounts in INR lakhs, unless otherwise stated)

(5)	Break-up of Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. Unquoted :		
	(i) Shares : (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		1,353.99
	(iv) Government Securities		-
	(v) Others (please specify)		-
	Long Term investments :		
	1. Quoted :		-
	(i) Shares : (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. Unquoted :		
	(i) Shares : (a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
(6)	Borrower group-wise classification of assets financed as in (2) and (3) above :		
	Category	Amount net of provisions	
		Secured	Unsecured
			Total as on
			31 March 2025
	1. Related Parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	-	154,166.19
	Total	-	154,166.19
	** As per Accounting Standard of ICAI		
	Loans and advances (net of provisions for Non performing asset) includes Term loans and Working Capital loans.		



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in INR lakhs, unless otherwise stated)

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	1,353.99	1,353.99
	Total	1,353.99	1,353.99
	** As per Accounting Standard of ICAI		
(8)	Other Information		
	Particulars	Amount as on 31 March 2025	
(i)	Gross Non-Performing Assets		
	(a) Related parties		
	(b) Other than related parties	1,542.52	
(ii)	Net Non-Performing Assets		
	(a) Related parties		
	(b) Other than related parties	984.63	
(iii)	Assets acquired in satisfaction of debt		



45 Disclosure pursuant to Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

1. Details of the corporate governance

1.1) Composition of the Board

A) Composition of the Board									
Sl. No	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		Remuneration		
					Held	Attended	No. of other Directorships	Salary and other compensation	Sitting Fee Commission
1	Pallavi Shrivastava	12-Aug.22	Executive Director	7677898	6	6	2	-	-
2	Himanshu Chandra	12-Aug.22	Director	7315578	6	6	2	-	-

B) Details of change in composition of the Board during the current and previous financial year.

Financial Year 2024-2025 (Current Year)					
Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date	
1	Mr. Himanshu Chandra (DIN 07315578)	Director	No Change	30.Sep.23	
2	Ms. Pallavi Shrivastava (DIN 07677898)	Whole Time Director	Change in designation from Director to Whole Time Director	28.Mar.25	
Financial Year 2023-2024 (Previous Year)					
Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date	
1	Mr. Himanshu Chandra (DIN 07315578)	Director	Change in designation from Additional Director to Director	30.Sep.23	
2	Ms. Pallavi Shrivastava (DIN 07677898)	Director	Change in designation from Additional Director to Director	30.Sep.23	



PROGFN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025

(Amounts in INR lakhs, unless otherwise stated)

1.2) Committees of the Board and their composition

The company is not required to constitute an Audit Committee and Nomination and Remuneration Committee as per the Companies Act, 2013 being a private limited company. However as per the Master Direction - Reserve Bank of India (Non-Banking Financial Company-Scale based Regulation) Directions, 2023, the Company is required to constitute an Audit committee and Nomination and Remuneration Committee being Middle Layer NBFC. As per RBI directions, constitution of these committee requires a minimum of 3 directors with independent director forming a majority. During the year company has appointed one independent director on 26th May 2025 and is in process of appointing another independent director to comply with the RBI regulation in this regard.

1.3) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings.

Sl. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
2	EGM	12/9/2024, Delhi	To approve the borrowing limit of INR 500 Crores for Non-Convertible Debentures /Commercial Papers and Debt securities (Securities) issued by the Company, from time to time.
		12/9/2024, Delhi	Approval of the limit for issuance of non-convertible debentures on private placement basis for the FY 24-25 for an amount aggregating to INR 500 Crores.
		12/9/2024, Delhi	To approve issuance and allotment of 2500 (Two thousand five hundred) secured, unlisted, rated, transferable, redeemable, senior, non-convertible debentures of the Company having a face value of INR 1,00,000/- (Indian Rupees One Lakh Only) each and an aggregate nominal value of INR 25,00,00,000 (Indian Rupees Twenty-Five Crores) by way of private placement.
		12/9/2024, Delhi	Alteration of the main Object Clause of the Memorandum of Association of the Company.
		12/9/2024, Delhi	Alteration of the ancillary Object Clause of the Memorandum of Association of the Company.

1.4) Details of non-compliance with requirements of Companies Act, 2013

The Company is in the compliance with the requirements of Companies Act, 2013 including with respect to compliance with accounting and secretarial standards.

1.5) Details of penalties and strictures

There was no imposition of penalties and strictures on the company during the FY 2024-25.

2. Breach of covenant

2.1) Loan covenant with Federal Bank Limited:

Federal Bank Limited has sanctioned a Term Loan and Working Capital Demand Loan (WC DL) amounting to INR 1,000 lakhs and INR 500 lakhs, respectively with a stipulated financial covenant requiring the Total Outside Liabilities (TOL) to Adjusted Tangible Net Worth (ATNW) ratio to be less than 2 times. During the year ended 31st March 2025, this covenant was marginally breached as the ratio stood at 2.06 times. However, if Inter-Corporate Deposits (ICDs) are excluded, the ratio stands at 1.80 times. Thus, complying with the requirement on an adjusted basis.

2.2) PAR 0 Breach in Non Convertible Debentures:

The company has received Non Convertible Debentures (NCDs) from A K Securitization & Credit Opportunities Fund II and A K Capital Finance Limited, amounting to INR 1500 Lakhs each. As per the terms of these NCD agreements, the company is required to maintain a PAR 0 of less than 8%. During the Quarter 3rd of FY 2024-25, the PAR 0 marginally exceeded the threshold and reached 8.11%. However, the breach was rectified in January 2025, and the covenant compliance was restored.

2.3) Liquidity Covenant Compliance:

As per the covenant, the company is required to maintain a minimum liquidity buffer equivalent to the next one month's liabilities, the company has complied with this requirement since March 2025. The Loan products offered by the company, generally, have short tenures ranging from 30 to 180 days, with actual behavioural tenures being even shorter. This has enabled the company to maintain a healthy liquidity position at all times.

3. Divergence in Asset Classification and Provisioning

Since no inspection has been done by RBI, hence, this disclosure is not applicable.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2025
(Amounts in INR lakhs, unless otherwise stated)

46 Disclosures in Financial Statements as defined in Annex VII of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 RBI/DoR/2023-24/106
DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 amended from time to time.

A Exposure to Capital Market :-

The company has no such transactions during the year.

B Sectoral Exposure :-

Sectors	FY 24-25		FY 23-24		Percentage of Gross NPAs to total exposure in that sector	Percentage of Gross NPAs to total exposure in that sector
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs		
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
2.1. Micro and Small	-	-	-	-	-	-
2.2. Medium	-	-	-	-	-	-
2.3. Large	-	-	-	-	-	-
Total of Industry (2)	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
3.1. Transport Operators	-	-	-	-	-	-
3.2. Trade	-	-	-	-	-	-
3.3. Non-Banking Financial Companies (NBFCs) of which	-	-	-	-	-	-
3.3.1. Housing Finance Companies (HFCs)	-	-	-	-	-	-
3.3.2. Public Financial Institutions (PFIs)	-	-	-	-	-	-
Total of Services (3)	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
4.6. Education	-	-	-	-	-	-
4.8. Loans against gold jewellery	-	-	-	-	-	-
4.10. Others	-	-	-	-	-	-
Total of Personal Loans (4)	-	-	-	-	-	-
5. Others, if any (please specify)	-	-	-	-	-	-
Loan assets	155,443.65	-	1,542.52	1,542.52	0.99%	1.46%
Total	155,443.65	-	1,542.52	1,542.52	0.99%	1.46%

C Intra Group Exposure :-

Particulars	FY 24-25	FY 23-24
i) Total amount of intra-group exposures	-	-
ii) Total amount of top 20 intra-group exposures	-	-
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in INR lakhs, unless otherwise stated)

D Related Party Disclosure

Refer Note 34

E Disclosure of complaints**1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman**

Sr. no	Particulars	FY 24-25
Complaints received by NBFC from its customer		
1	Number of complaints pending at beginning of the year	9
2	Number of complaints received during the year	1115
3	Number of complaints disclosed during the year	1093
3.1	Of which, number of complaints rejected by NBFC	9
4	Number of complaints pending at the end of the year	22
	Maintainable complaints received by the NBFC from office of ombudsman	N/A
5	Number of maintainable complaints received by NBFC from the office of ombudsman	N/A
5.1	Of 5, number of complaints resolved in favour of the NBFC by office of ombudsman	N/A
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of	N/A
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	N/A
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	N/A

2) Top five grounds of complaints received by the NBFCs from customers

Sr. no	Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the py	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
FY 24-25						
1	Payment- Pool amount transfer	1	0	NA	0	0
2	Dispute	6	89	NA	1	1
3	Cibil	2	63	NA	1	1
4	Disbursal	0	130	NA	0	0
5	Payment	0	246	NA	14	14
6	Cashback	0	587	NA	6	6
	Total	9	1115		22	22
FY 23-24						
1	Payment- Pool amount transfer	0	337	NA	1	1
2	Dispute	0	180	NA	6	6
3	Cibil	0	47	NA	2	2
4	Disbursal	0	119	NA	0	0
5	Payment	0	149	NA	0	0
6	Cashback	0	43	NA	0	0
	Total		875			



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the year ended 31 March 2025**

(Amounts in INR lakhs, unless otherwise stated)

47 Details of loans transferred / acquired during the quarter ended March 31, 2025 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

(i) (a) Details of loans not in default acquired as given below. These are entirely through assignment / novation:

Particulars	Rs in lakhs
Aggregate amount of Loan acquired (in lakhs)	111,981.70
Weighted average residual maturity (in months)	10.40
Weighted average holding period by originator (in months)	-
Retention of beneficial economic interest by the originator	-
Tangible security coverage	-
Rating-wise distribution of rated loans	-

(i) (a) Details of loans not in default transferred as given below. These are entirely through assignment / novation:

The company has no such transaction.

Nil instances of replacing loans transferred to transferee(s) or paid damages arising out of any representation or warranty

(ii) (a) The Company has not transferred any Special Mention Account (SMA)

(ii) (b) The Company has not transferred any non-performing assets (NPAs).

(iii) The Company has not acquired any stressed loan.

48 Rating of Company

The company got its rating on June 10, 2025 from ICRA of BBB+/stable (Previous year rating on April 2, 2024 from CRISIL of BBB/stable).

The rating has upgraded during the year.

49 Commitments and Contingencies

There are no commitments and contingencies during the year.

50 During the year there are no changes in the accounting policies and no prior period items (Refer Note 2A and 2B).**51 Events after the Reporting Period**

As per the management, subsequent to the year ending no such events have taken place post Reporting Period.

52 Figures in the previous year have been regrouped and correspondingly ratios are changed wherever necessary, in order to make them comparable to current year.

As per our report of even date

For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITEDFor S.K. Mehta & Co.
Chartered Accountants
FRN 000478NCA Alok Kumar
Partner
Membership No.: 503781
Place: Delhi
Date: 05/08/2025P. Shrivastava
Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 05/08/2025H. Chandra
Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 05/08/2025Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 05/08/2025

UDIN:	25503781BMULGP1747
MRN/Name:	503781/ALOK KUMAR
Firm Registration No.:	000478N
Document type:	Audit and Assurance Functions
Document sub type:	Statutory Audit - Corporate
Document Date:	05-08-2025
Create Date/Time:	12-08-2025 17:03:53
Financial Figures/Particulars:	01-04-2024-31-03-2025
Financial Year:	AAACH7829P
PAN of the Assessee/ Auditee:	25799.44 (Lakhs): 2,57,99,44,000
Gross Turnover/Gross Receipt:	58876.72 (Lakhs): 5,88,76,72,000
Shareholder Fund/Owners Fund:	85.23 (Lakhs): 85,23,000
Net Block of Property, Plant & Equipment:	AUDITED FINANCIALS OF PROGFIN PVT LTD -FORMERLY KNOWN AS HYTONE HOLDINGS PVT LTD FY 2024-25
Document description:	





S. K. MEHTA & CO.
CHARTERED ACCOUNTANTS

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26 Rajendra Place, New Delhi - 110008
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9891138008, 9810321520
E-mail : skmehta@skmehta.co.in
Website : www.skmehta.org

Independent Auditor's Review Report on Unaudited Financial Results for the Quarter ended June 30, 2025 of the Progfin Private Limited

To

The Board of Directors

Progfin Private Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Progfin Private Limited ('the Company') for the quarter ended June 30, 2025 ('the Statement').
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all



significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, have not disclosed the information required to be disclosed, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter:

Attention is drawn to note no. 5 to the Unaudited Financial Results regarding non-presentation of figures for Corresponding quarter and previous quarter in Unaudited Financial Results as the quarterly financial results are prepared for the first time by the Company.

Our conclusion on the Statement is not modified in respect of the aforesaid matter.

For S. K. Mehta & Co

Chartered Accountants

ICAI Firm Registration No. 000478N

CA Suresh Goyal
Partner



Membership No.:084409

UDIN: 25084409BMODRX5683

Place: New Delhi

Date: 30.09.2025

Statement of Unaudited Financial Results for the quarter ended June 30, 2025

	Particulars	For the Quarter ended 30-06-2025 Unaudited	For the Year ended 31-03-2025 Audited
1	Income	7,827.35	25,329.93
	a) Interest Income	7,827.35	25,329.93
	Total Revenue from operations	157.02	469.52
	b) Other income	7,984.37	25,799.45
2	Total Income		
3	Expenses	3,506.03	9,898.34
	Finance costs	635.79	2,379.41
	Fees and Commission Expenses	2,098.67	7,510.61
	Employee Benefit Expenses	12.48	33.93
	Depreciation and amortization	824.15	2,453.16
	Impairment and Write Offs	632.86	1,831.19
	Other expenses	7,709.98	24,106.64
	Total expenses	274.39	1,692.81
4	Profit before exceptional item and tax (2-3)	-	-
5	Exceptional item	274.39	1,692.81
6	Profit before tax (4-5)		
7	Tax expense	104.69	571.69
	a) Current tax	-	9.60
	b) Tax adjustments relating to earlier years	(20.45)	(104.35)
	c) Deferred tax (credit) / charge	84.24	476.94
	Total Tax expense	190.15	1,215.87
8	Profit for the period (6-7)		
9	Other comprehensive income (OCI) (net of tax)		
	Other comprehensive income / (expenses) not to be reclassified to profit or loss:	-	(39.45)
	Re-measurement gains / (losses) on defined benefit plans	-	9.93
	Tax adjustment on above	190.15	1,186.35
10	Total Comprehensive Income (8+9)		
		59,248.98	58,876.72
11	Total Equity	3,742.40	3,742.40
	a) Paid-up equity share capital (Face value per share ₹ 10)	55,506.58	55,134.32
	b) Other Equity		
14	Earnings per equity share of ₹ 10 each - (not annualised)- in ₹	0.54	3.48
	Basic	0.54	3.48
	Diluted		

Refer notes to Unaudited Financial Results.



For and on behalf of board of the
PROGFIN PRIVATE LIMITED

PALLAVI
SHRIVASTAVA

Digitally signed by
PALLAVI SHRIVASTAVA
Date: 2025.09.30
19:48:15 +05'30'

Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: New Delhi
Date :

Progfin Private Limited
(CIN: U67120DL1992PTC425089)

NOTES TO UNAUDITED FINANCIAL RESULTS

1. The unaudited financial results have been reviewed by the Audit Committee of the Board of Directors in their meeting held on 30th September 2025 and approved by the Board of Directors on the same date.
2. The Statutory Auditors of the Company have carried out the limited review of these unaudited financial results.
3. The unaudited financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India.
4. The Company operate in one segment; hence no segment reporting is provided.
5. Company is preparing quarterly results for the first time i.e. for the quarter ended 30th June 2025 and accordingly figures for Corresponding quarter and previous quarter are not available and hence not presented in the unaudited financial results.
6. Figures for the previous periods have been regrouped/reclassified wherever necessary, to conform to current period's classification.



On behalf of the Board of
directors of **Progfin**
Private Limited

PALLAVI
SHRIVASTAVA
A

Digitally signed by
PALLAVI SHRIVASTAVA
Date: 2025.09.30
19:29:16 +05'30'

Pallavi Shrivastava
CEO and Whole Time
Director
Date:
Place:

Proffin Private Limited
(CIN: U67120DL1992PTC425089)

S.no	Particulars	Ref.	As at 30 June 2025	As at 31 March 2025
1	Debt equity ratio	i	2.01	1.90
2	Total Debt to Total Assets	ii	0.65	0.63
3	Net worth (amount in Lac)	iii	59,248.98	58,876.72
4	Capital redemption reserve	na	NA	NA
5	Gross Stage 3 Assets ratio	iv	2.1%	1.1%
6	Net Stage 3 Assets ratio	v	1.4%	0.7%
7	Capital adequacy ratio (CRAR)	vi	40.1%	40.3%
8	Security cover over listed NCDs	na	NA	NA
9	Net Profit Margin ratio	vii	2.4%	4.6%

Notes:

- i. Debt equity ratio is total debt / Net worth
- ii. Total debts to total assets is debt securities, borrowings/ total assets
- iii. Net worth is equal to equity share capital + other equity
- iv. Gross stage 3 assets ratio is gross stage 3 assets/Gross loans
- v. Net stage 3 assets ratio is Gross stage 3 assets less impairment loss allowance on stage 3 assets/ gross loans
- vi. CRAR is computed by dividing company tier I + tier II Capital by risk weighted assets
- vii. Net profit margin is total comprehensive income (net of income tax)/ Total Income



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Pallavi Shrivastava
CEO and Whole Time
Director

Date:

Place:

November 7, 2025

To,
The Manager
Listing Department (Debt)
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400001.

Reference: Progfin Private Limited (ISIN: INE0MYJ07112, INE0MYJ07120)

Subject: Outcome of the Board Meeting held on November 07, 2025 pursuant to Regulation 51 read with other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") (as amended)

Dear Sir/Madam,

Pursuant to Regulations 51, 52 and 54 read with Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations") (as amended), the Board of Directors of the Company at its meeting held today i.e. November 07, 2025, has inter-alia, considered and approved the following matters:

- a) Unaudited Financial Results for the quarter ended September 30, 2025, along with the Limited Review Report of Statutory Auditor of the Company; and

Accordingly, please find enclosed the following:

1. Limited Review Report submitted by the Statutory Auditors of the Company, M/s. Shiromany Tyagi & Co., Chartered Accountants.
 2. Unaudited Standalone Financial Results for the quarter ended September 30, 2025;
 3. Additional disclosure in accordance with Regulation 52(4) of the SEBI Listing Regulations as Annexure I.
 4. A statement indicating the utilization of proceeds of listed Non-Convertible Debentures and a confirmation of no deviation/variation in utilization of issue proceeds in terms of Regulation 52(7) and 52(7A) respectively of the SEBI Listing Regulations as Annexure II;
 5. Disclosure of the security cover available for Non-Convertible Securities of the Company as per Regulation 54(2)/54(3) of the SEBI Listing Regulations as Annexure III;
- b) To approve increase in Authorised Share Capital from INR 40 crores to INR 47 crores and alteration of the Memorandum of Association subject to the approval of the shareholders of the Company and consequent alteration in the Capital Clause of the Memorandum of Association of the Company; and
- c) To offer and issue equity shares on a rights issue basis to the existing shareholders of the Company for an aggregate amount not exceeding ₹74,99,99,965/- (Rupees Seventy-Four Crore Ninety-Nine Lakh Ninety-Nine Thousand Nine Hundred Sixty-Five only) on proportionate basis.

The rights issue will be made in accordance with applicable laws, with each equity share having a face value of ₹10/- (Rupees Ten only) and a premium of ₹177/- (Rupees One Hundred Seventy-Seven only), aggregating to a total issue price of ₹187/- (Rupees One Hundred Eighty-Seven only) per share.

The Board also approved the draft Letter of Offer in connection with the proposed rights issue.

The Board meeting commenced at 12: 30 p.m. and concluded at 2: 50 p.m.

Kindly take the above on records.

Thanking You

For and on behalf of **Progfin Private Limited**

PALLAVI SHRIVASTAVA
A
Pallavi Shrivastava
Whole Time Director & Chief Executive Officer
DIN : 07677898

CC:

National Securities Depository Limited 301, 3rd Floor, Naman Chambers, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400 051.	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai – 400013
Catalyst Trusteeship Limited Registered Office: GDA House, First Floor, Plot No. 85 S.No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune, Maharashtra - 411038, India	Maashitla Securities Private Limited Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi 110034



SHIROMANY TYAGI & CO.
CHARTERED ACCOUNTANTS

18, Netaji Subhash Marg
Darya Ganj, New Delhi-110002
Ph: 43542741, 9818866546,
9999075599
Email: stacons18@gmail.com

Independent Auditor's Review Report on Quarterly and Year to date Unaudited Financial Results of Progfin Private Limited

To
The Board of Directors
Progfin Private Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Progfin Private Limited (the "Company") for the quarter and six months ended 30-09-2025 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time applicable to NBFC ("RBI Guidelines"), other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters..

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5. Emphasis of Matter:

Attention is drawn to note no. 6 to the Unaudited Financial Results regarding non-presentation of figures for corresponding quarter and figures for previous period in Unaudited Financial Results as the company is preparing quarterly results from the quarter ended 30-06-2025 onwards.

Our conclusion is not modified in respect of the aforesaid matter.

6. Other Matter:

The Statement includes comparative figures for quarter ended 30-06-2025 which was reviewed by the predecessor auditor of the company, where they had expressed an unmodified conclusion on unaudited financial results vide their reports dated 30-09-2025.

The Statement also includes figures for year ended 31-03-2025, which was audited by the predecessor auditor of the company, where they had expressed an unmodified opinion on the financial statements vide their report dated 05-08-2025.

Our conclusion is not modified in respect of the aforesaid matter.

For Shiromany Tyagi & Co.

Chartered Accountants

FRN No.: 006117N

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Pradeep Tyagi

Partner

Membership No: 084840

UDIN: 25084840BMKSYV3246

Place: Delhi

Date: 07.11.2025

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by PALLAVI
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NOTES TO UNAUDITED FINANCIAL RESULTS

1. The unaudited financial results have been reviewed by the Audit Committee of the Board of Directors in their meeting held on **7th November 2025** and approved by the Board of Directors on the same date.
2. The Statutory Auditors of the Company have carried out the limited review of these unaudited financial results for the quarter and six months ended 30-09-2025.
3. The unaudited financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other recognised accounting practices generally accepted in India and in compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").
4. All the secured non-convertible debentures (NCD) of the Company are fully secured by hypothecation of book debts/ loan receivables to the extent as stated in the respective information memorandum. The Company has, at all times, for the secured NCDs, maintained sufficient asset cover as stated in the respective information memorandum towards the principal amount, interest accrued thereon, and such other sums as mentioned therein.
5. The Company operates mainly in the business of financing and accordingly there are no separate reportable operating segments as per Ind AS 108 - "Operating Segments".
6. Company is preparing quarterly results from the quarter ended 30-06-2025 onwards and accordingly figures for Corresponding quarter i.e., for the quarter ended 30-09-2024 and year to date figure for previous period i.e., period from 01-04-2024 to 30-09-2024 are not available and hence not presented in the unaudited financial results. Further in unaudited cash flow statements, figures for the corresponding period i.e., for the six months ended 30-09-2024 are not available and hence figures for the year ended 31-03-2025 is presented.

7. Figures for the previous periods have been regrouped/reclassified wherever necessary, to conform to current period's classification.

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PRADEEP TYAGI
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PROGFIN PRIVATE LIMITED
CIN: U67120DL1992PTC425089

₹ in Lakhs

Statement of unaudited financial results for the quarter and six months ended 30-09-2025

	Particulars	3 months ended 30-09-2025	Preceding 3 months ended 30-06-2025	Year to date figures for the current period from 01-04-2025 to 30-09-2025	For the year ended 31-03-2025
		Unaudited	Unaudited	Unaudited	Audited
1	Income				
	a) Interest Income	8,490.10	7,827.35	16,317.45	25,329.93
	Total Revenue from operations	8,490.10	7,827.35	16,317.45	25,329.93
	b) Other income	352.40	157.02	509.42	469.52
2	Total Income	8,842.50	7,984.37	16,826.87	25,799.45
3	Expenses				
	Finance costs	4,115.86	3,506.03	7,621.89	9,898.34
	Fees and Commission Expenses	712.33	635.79	1,348.12	2,379.41
	Employee Benefit Expenses	2,458.86	2,098.67	4,557.53	7,510.61
	Depreciation and amortization	12.66	12.48	25.14	33.93
	Impairment and Write Offs	658.42	824.15	1,482.57	2,453.16
	Other expenses	591.97	632.86	1,224.83	1,831.19
	Total expenses	8,550.10	7,709.98	16,260.08	24,106.64
4	Profit before exceptional item and tax (2-3)	292.40	274.39	566.79	1,692.81
5	Exceptional item	-	-	-	-
6	Profit before tax (4-5)	292.40	274.39	566.79	1,692.81
7	Tax expenses				
	a) Current tax	281.17	104.69	385.86	571.69
	b) Tax adjustments relating to earlier years	-	-	-	9.60
	c) Deferred tax (credit) / charge	(189.56)	(20.45)	(210.01)	(104.35)
	Total Tax expenses	91.61	84.24	175.85	476.94
8	Profit for the period (6-7)	200.79	190.15	390.94	1,215.87
9	Other comprehensive income (OCI)				
(A)	Items that will not be reclassified to profit or loss:				
(i)	Re-measurement gains / (losses) on defined benefit plans	-	-	-	(39.45)
(ii)	Tax adjustment on above	-	-	-	9.93
	Other comprehensive income/(losses) for the year, net of taxes	-	-	-	(29.52)
10	Total Comprehensive Income (8+9)	200.79	190.15	390.94	1,186.35
11	Paid-up equity share capital (Face value per share ₹ 10)	3,742.40	3,742.40	3,742.40	3,742.40
12	Other Equity	55,892.59	55,506.58	55,892.59	55,134.32
13	Earnings per equity share of ₹ 10 each - (not annualised)- in ₹				
	Basic	0.54	0.51	1.04	3.48
	Diluted	0.54	0.51	1.04	3.48

Refer notes to accounts for unaudited financial results.

For and on behalf of board of the
PROGFIN PRIVATE LIMITED

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Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898

Place: Delhi
Date : 07/11/2025

PROGFIN PRIVATE LIMITED

CIN: U67120DL1992PTC425089

₹ in Lakhs

Statement of unaudited Assets and Liabilities as at 30-09-2025**Notes: Disclosure of statement of assets and liabilities as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as at September 30, 2025**

Particulars	As at 9/30/2025	As at 3/31/2025
	Unaudited	Audited
ASSETS		
Financial assets		
Cash and Cash Equivalents	25,213.57	10,962.14
Bank Balances other than Cash and Cash Equivalents	8,274.44	6,281.08
Loans	206,602.08	154,166.19
Investments	-	1,353.99
Other Financials Assets	3,432.67	1,889.91
Non Financial Assets		
Current Tax Assets (Net)	-	52.63
Deferred Tax Assets (Net)	605.80	395.79
Property, Plant and Equipment	93.24	85.23
Other Non Financial Assets	826.08	602.83
Total Assets	245,047.88	175,789.80
LIABILITIES AND EQUITY		
Liabilities		
Financial Liabilities		
Payables		
A. Trade Payables		
(i)Total Outstanding dues of Micro Enterprises and Small Enterprises	10.36	40.04
(ii)Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,372.21	1,768.77
Debt Securities	50,353.74	18,323.03
Borrowings (other than debt securities)	129,492.43	93,101.91
Other Financial Liabilities	1,754.18	2,474.61
Non Financial Liabilities		
Provisions	402.50	329.96
Other Non Financial Liabilities	942.49	874.76
Current Tax Liabilities (Net)	84.98	-
Equity		
Equity Share Capital	3,742.40	3,742.40
Other Equity	55,892.59	55,134.32
Total Liabilities and Equity	245,047.88	175,789.80

PROGFIN PRIVATE LIMITED
CIN: U67120DL1992PTC425089

₹ in Lakhs

Notes: Disclosure of statement of assets and liabilities as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as at September 30, 2025

Particulars	for the Six months ended	For the Year ended
	9/30/2025	3/31/2025
	Unaudited	Audited
Cash Flow from Operating Activities:		
Profit before tax	566.79	1,692.81
Adjustments for:		
Loss/(profit) on sale of Investments	(89.93)	(160.27)
Net gain on fair valuation of investment measured at FV/TPL	-	(15.11)
Depreciation and amortization	25.14	33.93
Bad debts written off and impairment allowance	1,482.57	2,453.16
Share based payment expense & guarantee charges	367.33	659.19
Loss on sale of fixed asstes	-	0.55
Interest expenses	7,110.31	9,196.60
Operating profit/(loss) before working capital changes	9,462.21	13,860.86
Movement in working capital		
(Increase)/decrease in loans	(53,918.45)	(44,604.89)
(Increase)/decrease in other financial assets	(1,542.76)	401.69
Decrease in financial liabilities - trade payables	573.76	1,399.99
(Increase)/decrease in other non financial assets	(223.25)	(142.97)
Increase in non financial liabilities - provisions	72.54	20.13
Increase in other financial liabilities	(855.31)	(3,974.62)
Increase in other non financial liabilities	67.73	511.88
Cash used (from)/in operations	(46,363.54)	(32,527.92)
Direct taxes paid (net of refunds)	(248.25)	(624.10)
Net cash used in operating activities	(46,611.79)	(33,152.01)
Cash flow from investing activities		
Purchase of Property, plant and equipment	(33.16)	(81.83)
Sale of Property, plant and equipment	-	0.01
Creation of deposits with remaining maturity for less than twelve	(1,993.36)	(5,737.79)
Proceeds from sale / (purchase) of Investments	1,443.92	(1,178.61)
Net cash used in investing activities	(582.59)	(6,998.22)
Cash flow from financing activities		
Proceeds from issue of equity shares (share capital)	-	333.34
Proceeds from issue of equity shares (premium)	-	4,666.66
Proceeds from/(repayment) of Debt Securities	32,030.71	18,323.03
Proceeds from/(repayment) of Borrowings	36,390.53	34,368.83
Interest paid	(6,975.42)	(8,983.53)
Net cash generated from financing activities	61,445.81	48,708.33
Net increase in cash and cash equivalents	14,251.43	8,558.09
Cash and cash equivalents at the beginning of the period	10,962.14	2,404.05
Cash and cash equivalents at the end of the period	25,213.57	10,962.14
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	25,213.57	10,962.14
Total cash and cash equivalents as per Balance Sheet	25,213.57	10,962.14

Disclosures required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and six months ended 30-09-2025

S.No	Particulars	For the Quarter Ended 30-09-2025	For the Six months Ended 30-09-2025	For the Quarter Ended 30- 06-2025	For the Year Ended 31-03-2025
1	Debt-Equity Ratio {Debt securities+ Borrowings (other than debt securities) +Deposits +Subordinated debts}/Total Equity		3.02	2.01	1.90
2	Outstanding redeemable preference shares (quantity and value)		Nil	Nil	Nil
3	Debenture Redemption Reserve		Not Applicable	Not Applicable	Not Applicable
4	Capital Redemption Reserve		Nil	Nil	Nil
5	Net Worth (Rs in Lakhs) (Equity share capital + Other equity]		59,634.98	59,248.98	58,876.72
6	Total debts to total assets ratio {Debt securities+Borrowings (other than debt securities)+Deposits+Subordinated debts} / Total Assets		0.73	0.65	0.63
7	Net profit margin [Profit after tax / Total Income]	2.27%	2.32%	2.38%	4.71%
8	Sector specific equivalent ratio, as applicable				
a)	Stage III loan assets to Gross loan assets {Stage III loan assets / Gross loan assets (Based on principal amount of loan assets)}		1.69%	2.10%	1.10%
b)	Net Stage III loan assets to Gross loan assets {Stage III loan assets - Expected credit loss provision for Stage III loan assets}/ Gross loan assets (Based on principal amount of loan assets)		1.08%	1.40%	0.70%
c)	Capital Adequacy Ratio (As per RBI Guidelines)		32.27%	40.10%	40.30%
d)	Provision Coverage Ratio (Expected credit loss provision for Stage III loan assets/ Stage III loan assets)		36.35%	33.04%	36.31%

Note: Debt service coverage ratio, interest service coverage ratio, current ratio, long term debt to working capital, bad debts to accounts receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin ratio are not relevant as the company is engaged in financing activities.

Notes:	
1)	Progfin Private Limited is a Non-Banking Financial Company registered with the Reserve Bank of India (the RBI).
2)	The standalone financial results for the quarter and half year ended September 30, 2025 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 07, 2025. The financial results have been subjected to limited review by statutory auditors in compliance with Regulation 52 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3)	The above financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Any application guidance/clarifications/directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/applicable.
4)	The Company's Non-Convertible Debentures (NCDs) were listed on the BSE in September 2025, and accordingly, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are applicable. The financial information for the quarter ended June 30, 2025, has been voluntarily provided for comparative analysis to offer a better understanding of the Company's performance. As the Company was unlisted prior to the said listing, financial information for earlier periods are not available and hence not presented in the unaudited financial results

Date: November 07, 2025

To,
The Manager
Listing Department (Debt)
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400001.

Scrip Code: 977140, 977160
ISIN: INE0MYJ07112, INE0MYJ07120,

Sub: Statement on utilization of issue proceeds of Non-Convertible Debenture (NCDs) pursuant to Regulation 52(7) and 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015

Dear Sir/ Madam,

Pursuant to Regulation 52(7) & 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that the Company has not issued non-convertible debt securities during the quarter and half year ended September 30, 2025, and does not have any pending utilization of the funds issued through non-convertible debt securities earlier

Statement indicating utilization of proceeds of issue of listed Non-convertible Debentures and Statement of deviation/ variation is enclosed.

This is for your information and records.

Thanking You,

Yours sincerely,

For Progfin Private Limited

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Pallavi Shrivastava
CEO & Whole Time Director
DIN-07677898

A. Statement of utilization of issue proceeds

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (in INR Crores)	Funds utilized (in Rs.)	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Progfin Private Limited	INE0MYJ07112	Private Placement	Non-Convertible Debentures	19-Sep-2025	70	70	No	NA	NA
Progfin Private Limited	INE0MYJ07120	Private Placement	Non-Convertible Debentures	26-Sep-2025	100	100	No	NA	NA

B. Statement of deviation/ variation in use of Issue proceeds: Not Applicable

Particulars					Remarks	
Name of listed entity					As Per Annexure -1	
Mode of fund raising						
Type of instrument						
Date of raising funds						
Amount raised						
Report filed for quarter ended						
Is there a deviation/ variation in use of funds raised?						
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?						
If yes, details of the approval so required?						
Date of approval						
Explanation for the deviation/ variation						
Comments of the audit committee after review					N.A.	
Comments of the auditors, if any					N.A.	
Objects for which funds have been raised and where there has been a deviation/ variation in the following table:						
Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any

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Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilized as against what was originally disclosed.

Name of signatory: Pallavi Shrivastava

Designation: CEO & Whole Time Director

Date: November 07, 2025

Annexure - 1

	Particulars	Particulars
Name of entity	Progfin Private Limited	Progfin Private Limited
Mode of fund raising	Private Placement	Private Placement
Type of instrument	Non-Convertible Debentures	Non-Convertible Debentures
Date of raising funds	19-Sep-2025	26-Sep-2025
Amount raised (INR Crores)	70	100
Report filed for quarter ended	30-Sep-2025	30-Sep-2025
Is there a deviation/ variation in use of funds raised?	No	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA	NA
If yes, details of the approval so required?	NA	NA
Date of approval	NA	NA
Explanation for the deviation/ variation	NA	NA

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Date: 2025.11.07
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Date: 07th November 2025

To,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400001.
Kind Attn: - General Manager Dept. of Corporate Services

Scrip Code: 977140, 977160
ISIN: INE0MYJ07112, INE0MYJ07120,

Sub: Submission under Regulation 54(2)/54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

With reference to Regulation 54(2) /54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Regulations”) please note that the Non - Convertible Debentures (“NCDs”) issued by the Company are secured by exclusive charge under book debts to the minimum extent of 100% or such higher security as per the respective term sheets of the outstanding secured NCDs. A Statement of Security Cover as per the terms of Debenture Trust Deed and Placement Memorandum and book value of assets as of September 30, 2025, is attached.

We request you to kindly take the above on record.
Thanking You.

For Progfin Private Limited
Shiromany Tyagi & Co. Chartered Accountants

For

PALLAVI SHRIVASTAVA
AVA 1000P-1030

Pallavi Shrivastava
CEO & Whole Time Director
DIN-07677898

PRADEEP TYAGI Digitally signed by
PRADEEP TYAGI
Date: 2025.11.07
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Pradeep Tyagi
Partner
Membership
No: 084840

UDIN :

Statement of Security Cover as per the terms of Debenture Trust Deed and Placement Memorandum and book value of assets as at September 30, 2025

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which	Exclusive Charge	Exclusive Charge	Pari Passu Charge	Pari Passu Charge	Pari Passu Charge	Assets not offered as	Elimination (amount in	(Total C to J)	Related to only those items covered by this certificate				

Registered Address: 76, 1st Floor, Okhla, Industrial Estate, Okhla New Delhi -110020, India

	Is this certificate related						Security (3)	negative)							Total Value (=L + M + N + O)
		Debt for which this certificate being issued (1)	Other Secured Debt (2)	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari passu charge (excluding items covered in column F)			Debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable (For Eg. Bank Balance, DSRA market value is not applicable)		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								-	
Asset															
Property, Plant and Equipment		-	-	-	-	-	93.24	-	93.24	-	-	-	-	-	
Capital Work-in-Progress		-	-	-	-	-	-	-	-	-	-	-	-	-	
Right of Use Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-	

Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets under Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	Book Debts & Receivables	19,066.56	162,289.15	-	-	-	25,246.37	206,602.08	19,066.56	-	-	19,066.56	-
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	-	-	-	-	25,213.57	25,213.57	-	-	-	-	-
Bank balances other than cash and cash equivalents	Lien marked Fixed Deposit	-	5,263.92	-	-	-	3,010.52	8,274.44	-	-	-	-	-
Others	-	-	-	-	-	-	4,864.54	4,864.54	-	-	-	-	-
Total		19,066.56	167,553.07	-	-	-	58,428.25	245,047.88					-
LIABILITIES													
Debt securities to which this certificate pertains (4)	Listed Secured NCD	17000						17,000.00	17,000.00				17,000.00
Other debt sharing pari-	-	Not to be filled	-	-	-	-	-	-	-	-	-	-	-

passu charge with above debt														
Other Debt	Unlisted secured NCD		28,353.74	-	-	-	5,000.00	-	33,353.74	-	-	-	-	-
Subordinated debt	-		-	-	-	-	-	-	-	-	-	-	-	-
Borrowings (5)	FIs borrowings		39,133.11	-	-	-	12,422.76	-	51,555.86	-	-	-	-	-
Bank (6)	Bank Borrowings		42,142.18	-	-	-	-	-	42,142.18	-	-	-	-	-
Debt Securities (Including Securitization)	PTC borrowings		35,794.39	-	-	-	-	-	35,794.39	-	-	-	-	-
Trade payables	-		-	-	-	-	2,382.57	-	2,382.57	-	-	-	-	-
Lease Liabilities	-		-	-	-	-	-	-	-	-	-	-	-	-
Provisions	-		-	-	-	-	402.50	-	402.50	-	-	-	-	-
Others (7)	-		-	-	-	-	2,781.65	-	2,781.65	-	-	-	-	-
Total		17,000.00	145,423.42	-	-	-	22,989.49	-	185,412.91	-	17,000.00	-	-	17,000.00
Cover on Book Value (9)		1.12	1.15											
Cover on Market Value (8)														

Note

- (1) This column include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is is
- (2) This column include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than
- (3) This column include all those assets which are not charged and shall include only those assets which are paid for.
- (4) Debt securities to which this certificate pertains includes Principal Outstanding + Interest Accrued - IND AS adjustment
- (5) Borrowing includes borrowing from the Financial Institution and Liabilities arising out of securitization transactions = Principal Ou
AS adjustment - Equity tranche of investment in PTC
- (6) Borrowing includes borrowing from the banks = Principal Outstanding + Interest Accrued - IND AS adjustment
- (7) Other doesn't includes equity share capital and other equity.
- (8) The market value shall be calculated as per the total value of assets mentioned in Column P.
- (9) The asset cover ratio takes into consideration the IND-AS adjustment on Borrowing while Book debts and receivables are reported on
hypothecated loans.

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February 09, 2026

To,
The Manager
Listing Department (Debt)
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400001.

Reference: Progfin Private Limited (Scrip Code: 977140, 977160, 977210, 977259), (ISIN: INE0MYJ07112, INE0MYJ07120, INE0MYJ07138, INE0MYJ07146)

Subject: Outcome of the Board Meeting held on February 09, 2026 pursuant to Regulation 51 read with other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") (as amended)

Dear Sir/Madam,

Pursuant to Regulations 51, 52 and 54 read with Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations") (as amended), the Board of Directors of the Company at its meeting held today i.e. February 09, 2026, has inter-alia, considered and approved the following matters:

- a) Unaudited Financial Results for the quarter ended December 31, 2025, along with the Limited Review Report of Statutory Auditor of the Company; and

Accordingly, please find enclosed the following:

- Limited Review Report submitted by the Statutory Auditors of the Company, M/s. Shiromany Tyagi & Co., Chartered Accountants.
- Unaudited Standalone Financial Results for the quarter ended December 31, 2025;
- Additional disclosure in accordance with Regulation 52(4) of the SEBI Listing Regulations as Annexure I.
- A statement indicating the utilization of proceeds of listed Non-Convertible Debentures and a confirmation of no deviation/variation in utilization of issue proceeds in terms of Regulation 52(7) and 52(7A) respectively of the SEBI Listing Regulations as Annexure II;
- Disclosure of the security cover available for Non-Convertible Securities of the Company as per Regulation 54(2)/54(3) of the SEBI Listing Regulations as Annexure III;
- Any other agenda items: ratification of approval of breach in borrowing limits

The Board meeting commenced at 2:00 p.m. and concluded at 5:30 p.m.

Kindly take the above on records.

Thanking You

For and on behalf of **Progfin Private Limited**

PALLAVI
Pallavi Shrivastava
Whole Time Director & Chief Executive Officer
DIN : 07677898

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PALLAVI SHRIVASTAVA
Date: 2026.02.09 17:36:52
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CC:

National Securities Depository Limited 301, 3rd Floor, Naman Chambers, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400 051.	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai – 400013
Catalyst Trusteeship Limited Registered Office: GDA House, First Floor, Plot No. 85 S. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune, Maharashtra - 411038, India	Maashitla Securities Private Limited Address: 451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi 110034



SHIROMANY TYAGI & CO.
CHARTERED ACCOUNTANTS

18, Netaji Subhash Marg
Darya Ganj, New Delhi-110002
Ph: 43542741, 9818866546,
9999075599
Email.: staconsml8@gmail.com

Independent Auditor's Review Report on Quarterly and Year to date Unaudited Financial Results of Progfin Private Limited

To
The Board of Directors
Progfin Private Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Progfin Private Limited (the "Company") for the quarter and nine months ended 31-12-2025 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time applicable to NBFC ("RBI Guidelines"), other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters..

5. Emphasis of Matter:

Attention is drawn to note no. 6 to the Unaudited Financial Results regarding non-presentation of figures for corresponding quarter and figures for previous period in Unaudited Financial Results as the company is preparing quarterly results from the quarter ended 30-06-2025 onwards.

Our conclusion is not modified in respect of the aforesaid matter.

6. Other Matter:

The Statement includes figures for year ended 31-03-2025, which was audited by the predecessor auditor of the company, where they had expressed an unmodified opinion on the financial statements vide their report dated 05-08-2025.

Our conclusion is not modified in respect of the aforesaid matter.

For Shiromany Tyagi & Co.

Chartered Accountants

FRN No.: 006117N

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by PRADEEP
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Pradeep Tyagi

Partner

Membership No: 084840

UDIN:26084840ITXCTG4570

Place: New Delhi

Date: 09-02-2026

PROGFIN PRIVATE LIMITED
CIN: U67120DL1992PTC425089

₹ in Lakhs

Statement of unaudited financial results for the quarter and nine months ended 31-12-2025

	Particulars	3 months ended 31-12-2025	Preceding 3 months ended 30-09-2025	Year to date figures for the current period from 01-04-2025 to 31-12-2025	For the year ended 31-03-2025
		Unaudited	Unaudited	Unaudited	Audited
1	Income				
	a) Interest Income	9,788.18	8,490.10	26,105.63	25,329.93
	Total Revenue from operations	9,788.18	8,490.10	26,105.63	25,329.93
	b) Other income	767.34	352.40	1,276.76	469.52
2	Total Income	10,555.52	8,842.50	27,382.39	25,799.45
3	Expenses				
	Finance costs	5,682.56	4,115.86	13,304.45	9,898.34
	Fees and Commission Expenses	817.75	712.33	2,165.87	2,379.41
	Employee Benefit Expenses	2,492.31	2,458.86	7,049.84	7,510.61
	Depreciation and amortization	11.21	12.66	36.35	33.93
	Impairment and Write Offs	666.43	658.42	2,149.00	2,453.16
	Other expenses	433.56	591.97	1,658.39	1,831.19
	Total expenses	10,103.82	8,550.10	26,363.90	24,106.64
4	Profit before exceptional item and tax (2-3)	451.70	292.40	1,018.49	1,692.81
5	Exceptional item	-	-	-	-
6	Profit before tax (4-5)	451.70	292.40	1,018.49	1,692.81
7	Tax expenses				
	a) Current tax	60.48	281.17	446.34	571.69
	b) Tax adjustments relating to earlier years	(7.89)	-	(7.89)	9.60
	c) Deferred tax (credit) / charge	67.10	(189.56)	(142.91)	(104.35)
	Total Tax expenses	119.69	91.61	295.54	476.94
8	Profit for the period (6-7)	332.01	200.79	722.95	1,215.87
9	Other comprehensive income (OCI)				
(A)	Items that will not be reclassified to profit or loss:				
(i)	Re-measurement gains / (losses) on defined benefit plans	-	-	-	(39.45)
(ii)	Tax adjustment on above	-	-	-	9.93
	Other comprehensive income/(losses) for the year, net of taxes	-	-	-	(29.52)
10	Total Comprehensive Income (8+9)	332.01	200.79	722.95	1,186.35
11	Paid-up equity share capital (Face value per share ₹ 10)	4,143.47	3,742.40	4,143.47	3,742.40
12	Other Equity	63,536.76	55,892.59	63,536.76	55,134.32
13	Earnings per equity share of ₹ 10 each - (not annualised)- in ₹				
	Basic	0.89	0.54	1.93	3.48
	Diluted	0.89	0.54	1.93	3.48

Refer notes to accounts for unaudited financial results.

For and on behalf of board of the
PROGFIN PRIVATE LIMITED

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Date: 2026.02.09 17:24:33 +05'30'

Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898

Place: Delhi
Date :

Disclosures required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended 31-12-2025					
S.No	Particulars	For the quarter ended 31-12-2025	For the nine months ended 31 12-2025	For the quarter ended 30-09-2025	For the year ended 31-03-2025
1	Debt-Equity Ratio (Debt securities+ Borrowings (other than debt securities)+Deposits +Subordinated debts)/Total Equity		2.45	3.02	1.90
2	Outstanding redeemable preference shares (quantity and value)		Nil	Nil	Nil
3	Debenture Redemption Reserve		Not Applicable	Not Applicable	Not Applicable
4	Capital Redemption Reserve		Nil	Nil	Nil
5	Net Worth (Rs in Lakhs) (Equity share capital+ Other equity)		67,680.23	59,634.98	58,876.72
6	Total debts to total assets ratio (Debt securities+Borrowings (other than debt securities)+Deposits+Subordinated debts) / Total Assets		0.69	0.73	0.63
7	Net profit margin (Profit after tax / Total Income)	3.15%	2.64%	2.27%	4.71%
8	Sector specific equivalent ratio, as applicable				
a)	Stage III loan assets to Gross loan assets (Stage III loan assets/ Gross loan assets (Based on principal amount of loan assets))		1.54%	1.69%	1.10%
b)	Net Stage III loan assets to Gross loan assets (Stage III loan assets - Expected credit loss provision for Stage III loan assets)/ Gross loan assets (Based on principal amount of loan assets)		1.06%	1.08%	0.70%
c)	Capital Adequacy Ratio (As per RBI Guidelines)		40.77%	32.27%	40.30%
d)	Provision Coverage Ratio (Expected credit loss provision for Stage III loan assets/ Stage III loan assets)		30.81%	36.35%	36.31%
Note: Debt service coverage ratio, interest service coverage ratio, current ratio, long term debt to working capital, bad debts to accounts receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin ratio are not relevant as the company is engaged in financing activities.					

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Date: 2026.02.09
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NOTES TO UNAUDITED FINANCIAL RESULTS

1. The unaudited financial results have been reviewed by the Audit Committee of the Board of Directors in their meeting held on 31st Jan 2026 and approved by the Board of Directors on the same date.
2. The Statutory Auditors of the Company have carried out the limited review of these unaudited financial results for the quarter and nine months ended 31-12-2025.
3. The unaudited financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other recognised accounting practices generally accepted in India and in compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").
4. All the secured non-convertible debentures (NCD) of the Company are fully secured by hypothecation of book debts/ loan receivables to the extent as stated in the respective information memorandum. The Company has, at all times, for the secured NCDs, maintained sufficient asset cover as stated in the respective information memorandum towards the principal amount, interest accrued thereon, and such other sums as mentioned therein.
5. The Company operates mainly in the business of financing and accordingly there are no separate reportable operating segments as per Ind AS 108 - "Operating Segments".
6. Company is preparing quarterly results from the quarter ended 30-06-2025 onwards and accordingly figures for Corresponding quarter i.e., for the quarter ended 31-12-2024 and year to date figure for previous period i.e., period from 01-04-2024 to 31-12-2024 are not available and hence not presented in the unaudited financial results.
7. Figures for the previous periods have been regrouped/reclassified wherever necessary, to conform to current period's classification.

Date: 9th February 2026

To,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400001.
Kind Attn: - General Manager Dept. of Corporate Services

Scrp Code: 977140, 977160, 977210, 977259
ISIN: INE0MYJ07112, INE0MYJ07120, INE0MYJ07138, INE0MYJ07146

Sub: Submission under Regulation 54(2)/54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Madam,

With reference to Regulation 54(2) /54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Regulations”) please note that the Non - Convertible Debentures (“NCDs”) issued by the Company are secured by exclusive charge under book debts to the minimum extent of 100% or such higher security as per the respective term sheets of the outstanding secured NCDs. A Statement of Security Cover as per the terms of Debenture Trust Deed and Placement Memorandum and book value of assets as of December 31, 2025, is attached.

We request you to kindly take the above on record.

Thanking You.

For Progfin Private Limited
Shiromany Tyagi & Co. Chartered Accountant

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Date: 2026.02.09
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Pallavi Srivastava
CEO & Whole Time Director
DIN-07677898

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Date: 2026.02.09
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Partner

Membership No:084840
UDIN:26084840BHQDQB9371

Statement of Security Cover as per the terms of Debenture Trust Deed and Placement Memorandum and book value of assets as at December 31, 2025

(Amount in INR Lakhs)

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari Passu Charge	Pari Passu Charge	Pari Passu Charge	Assets not offered as Security (3)	Elimination (amount in negative)	(Total C to J)	Related to only those items covered by this certificate				Total Value (=L+M+N+O)
		Debt for which this certificate being issued (1)	Other Secured Debt (2)	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	
		Book Value	Book Value	Yes/No	Book Value	Book Value								-
Asset														
Property, Plant and Equipment	-	-	-	-	-	-	82.04	-	82.04	-	-	-	-	-

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Debt securities to which this certificate pertains (4)	Listed Secured NCD	32,000.00							32,000.00		32,000.00			32,000.00
Other debt sharing pari-passu charge with above debt	-	Not to be filled	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt	Unlisted secured NCD		19,596.32	-	-	-	5,000.00	-	24,596.32	-	-	-	-	-
Subordinated debt	-		-	-	-	-	-	-	-	-	-	-	-	-
Borrowings			1,200.18	-	-	-	4,922.76	-	6,122.94	-	-	-	-	-
Bank (5)	Bank & FI Borrowings		47,761.77	-	-	-	-	-	47,761.77	-	-	-	-	-
Debt Securities (Including Securitization)	PTC borrowings		55,969.33	-	-	-	-	-	55,969.33	-	-	-	-	-
Trade payables	-		-	-	-	-	604.24	-	604.24	-	-	-	-	-
Lease Liabilities	-		-	-	-	-	-	-	-	-	-	-	-	-
Provisions	-		-	-	-	-	424.50	-	424.50	-	-	-	-	-
Others (6)	-	-	-	-	-	4,360.73	-	4,360.73	-	-	-	-	-	
Total		32,000.00	1,24,527.60	-	-	-	15,312.23	-	1,71,839.83	-	32,000.00	-	-	32,000.00

Cover on Book Value (8)		1.14	1.19											
Cover on Market Value (7)														

Note

- (1) This column includes book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued.
- (2) This column includes book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C
- (3) This column includes all those assets which are not charged and shall include only those assets which are paid for.
- (4) Debt securities to which this certificate pertains include Principal Outstanding + Interest Accrued - IND AS adjustment
- (5) Borrowing includes borrowing from the banks & Financial Institution = Principal Outstanding + Interest Accrued - IND AS adjustment
- (6) Other don't include equity share capital and other equity.
- (7) The market value shall be calculated as per the total value of assets mentioned in Column P.
- (8) The asset cover ratio takes into consideration the IND-AS adjustment on Borrowing while Book debts and receivables are reported on Principal outstanding of each hypothecated loans.

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Date: 2026.02.09
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Date: February 09, 2026

To,
The Manager
Listing Department (Debt)
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400001.

Scrip Code: 977210, 977259.
ISIN: INE0MYJ07138, INE0MYJ07146.

Sub: Statement on utilization of issue proceeds of Non-Convertible Debenture (NCDs) pursuant to Regulation 52(7) and 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)

Dear Sir/ Madam,

Pursuant to Regulation 52(7) & 52(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that the Company has not issued non-convertible debt securities during the quarter ended December 31, 2025, and does not have any pending utilization of the funds issued through non-convertible debt securities earlier.

Statement indicating utilization of proceeds of issue of listed Non-convertible Debentures and Statement of deviation/variation is enclosed.

This is for your information and records.

Thanking You,

Yours sincerely,

For and on behalf of **Progfin Private Limited**

PALLAVI
SHRIVASTAVA
Pallavi Shrivastava
Whole Time Director & Chief Executive Officer
DIN : 07677898

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SHRIVASTAVA
Date: 2026.02.09 17:26:13
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A. Statement of utilization of issue proceeds

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (in INR Crores)	Funds utilized (in Rs.)	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Progfin Private Limited	INE0MYJ07138	Private Placement	Non-Convertible Debentures	13-Oct-2025	100	100	No	NA	Proceeds from Issuance of NCDs have been utilized fully against the object of the Issue stated in the Prospectus/ Offer document without any deviation
Progfin Private Limited	INE0MYJ07146	Private Placement	Non-Convertible Debentures	29-Oct-2025	50	50	No	NA	Proceeds from Issuance of NCDs have been utilized fully against the object of the Issue stated in the Prospectus/ Offer document without any deviation

B. Statement of deviation/ variation in use of Issue proceeds: Not Applicable

Particulars	Remarks
Name of listed entity	As Per Annexure -1
Mode of fund raising	
Type of instrument	
Date of raising funds	
Amount raised	
Report filed for quarter ended	
Is there a deviation/ variation in use of funds raised?	

Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?						
If yes, details of the approval so required?						
Date of approval						
Explanation for the deviation/ variation						
Comments of the audit committee after review					N.A.	
Comments of the auditors, if any					N.A.	
Objects for which funds have been raised and where there has been a deviation/ variation in the following table:						
Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
N.A.						

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilized as against what was originally disclosed.

For and on behalf of **Progfin Private Limited**

Pallavi Shrivastava
Whole Time Director & Chief Executive Officer
DIN: 07677898

Date: February 09, 2026

Annexure - 1

	Particulars	Particulars
Name of entity	Progfin Private Limited	Progfin Private Limited
Mode of fund raising	Private Placement	Private Placement
Type of instrument	Non-Convertible Debentures	Non-Convertible Debentures
Date of raising funds	13-Oct-2025	29-Oct-2025
Amount raised (INR Crores)	100	50
Report filed for quarter ended	31-Dec-2025	31-Dec-2025
Is there a deviation/ variation in use of funds raised?	No	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA	NA
If yes, details of the approval so required?	NA	NA
Date of approval	NA	NA
Explanation for the deviation/ variation	NA	NA

**PALLAVI
SHRIVASTAVA**

Digitally signed by PALLAVI
SHRIVASTAVA
Date: 2026.02.09 17:26:35 +05'30'

PROGFIN PRIVATE LIMITED

Balance Sheet as at 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

	Notes	As at 31st March 2026	As at 31st March 2025
ASSETS			
Financial assets			
Cash and Cash Equivalents	4	22,595.16	11,257.19
Bank Balances other than Cash and Cash Equivalents	5	9,255.03	6,281.08
Loans	6	241,308.64	154,166.19
Investments	7	-	1,353.99
Other Financials Assets	8	1,496.63	1,594.85
Non Financial Assets			
Current Tax Assets (Net)	9	-	52.63
Deferred Tax Assets (Net)	10	465.05	395.79
Property, Plant and Equipment	11	85.40	85.23
Other Non Financial Assets	12	699.34	607.71
Total Assets		275,905.25	175,794.66
LIABILITIES AND EQUITY			
Liabilities			
Financial Liabilities			
Payables			
A. Trade Payables			
(i) Total Outstanding dues of Micro Enterprises and Small Enterprises	13	14.95	40.04
(ii) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	13	495.65	493.29
Debt Securities	14	79,061.60	19,523.03
Borrowings (other than debt securities)	15	120,438.12	91,901.90
Other Financial Liabilities	16	2,019.30	2,704.53
Non Financial Liabilities			
Provisions	17	494.35	329.96
Other Non Financial Liabilities	18	2,646.21	1,925.19
Current Tax Liabilities (Net)	9	22.49	-
Equity			
Equity Share Capital	19	4,277.16	3,742.40
Other Equity	20	66,435.42	55,134.32
Total Liabilities and Equity		275,905.25	175,794.66

Material accounting policy information

2

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITEDFor Shiromany Tyagi & Co.
Chartered Accountants
FRN 006117NPradeep Tyagi
Partner
Membership No.: 084840
Place: Delhi
Date: 25/05/2026Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Date: 25/05/2026Himanshu Chandra
Director
DIN- 07315578
Date: 25/05/2026Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 25/05/2026

PROGFIN PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31st March 2026

(Amounts in lakhs INR, unless otherwise stated)

	Notes	For the year ended 31st March 2026	For the year ended 31st March 2025
Income:			
Revenue from Operations	21	35,893.06	25,329.93
Other Income	22	1,646.69	469.51
Total Income		37,539.75	25,799.44
Expenses:			
Finance Costs	23	18,617.65	10,055.82
Fees and Commission Expenses	24	2,999.92	2,353.85
Employee Benefit Expenses	25	9,145.64	7,510.61
Depreciation and Amortization	11	46.79	33.93
Impairment and Write Offs	26	2,893.96	2,453.16
Other Expenses	27	1,962.94	1,699.26
Total expenses		35,666.90	24,106.63
Profit before tax		1,872.85	1,692.81
Tax Expense			
Current Tax	29	502.36	571.69
Deferred Tax expense/ (credit)	29	27.08	(104.35)
Tax for earlier years		85.12	9.60
-Current Tax		(93.01)	-
-Deferred Tax			
Profit for the year	(a)	1,351.30	1,215.87
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
(i) Re-measurement losses on defined benefit plans		(13.23)	(39.45)
(ii) Income Tax Impact Thereon		3.33	9.93
Other comprehensive income for the year, net of taxes	(b)	(9.90)	(29.52)
IX. Total comprehensive income for the year	(a) + (b)	1,341.40	1,186.36
Earnings per share:			
Basic EPS attributable to equity shareholders	28	3.50	3.48
Diluted EPS attributable to equity shareholders	28	3.50	3.48

Material accounting policy information

2

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Shiromany Tyagi & Co.
Chartered Accountants
FRN 006117N

Pradeep Tyagi
Partner
Membership No.: 084840
Place: Delhi
Date: 25/05/2026



For and on behalf of the Board of the Directors of PROGFIN
PRIVATE LIMITED

[Signature]
Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 25/05/2026

[Signature]
Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 25/05/2026

[Signature]
Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 25/05/2026

PROGFIN PRIVATE LIMITED**Statement of Cash Flows for the year ended 31st March, 2026**

(Amounts in lakhs INR, unless otherwise stated)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash Flow from Operating Activities:		
Profit before tax	1,872.85	1,692.81
Adjustments for:		
Interest Income on Fixed Deposit	(459.35)	(146.75)
Interest Income on NCD	(96.39)	-
Loss/(profit) on Sale of Investments	(608.95)	(160.27)
Net gain on fair valuation of investment measured at FVTPL	-	(15.11)
Depreciation and Amortization	46.79	33.93
Bad Debts written off and Impairment Allowance	2,893.96	2,453.16
Share Based Payment Expenses	445.11	308.95
Guarantee Fees	200.98	204.58
Loss on Sale of Fixed Asstes	-	0.55
Interest Expense on Borrowings	11,690.77	7,999.13
Interest Expense on Debt Securities	5,328.92	1,197.47
Other Borrowing Cost	1,597.96	859.22
Operating profit/(loss) before working capital changes	22,912.65	14,427.67
Movement in working capital		
(Increase)/Decrease in Loans	(90,036.41)	(44,604.88)
(Increase)/Decrease in Other Financial Assets	98.22	696.75
(Increase)/Decrease in other non Financial Assets	(243.26)	(2.19)
Increase/(Decrease) in financial liabilities - Trade Payables	(22.73)	506.09
Increase/(Decrease) in non Financial liabilities - Provisions	151.16	117.64
Increase/(Decrease) in other Financial Liabilities	(816.90)	(4,339.36)
Increase/(Decrease) in other Non Financial Liabilities	721.02	1,562.31
Cash used (from)/in operations	(67,236.25)	(31,635.97)
Direct taxes paid (net of refunds)	(512.36)	(508.53)
Net cash used in operating activities	(67,748.61)	(32,144.50)
Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(46.96)	(81.84)
Sale of Property, Plant and Equipment	-	0.01
Creation of deposits with remaining maturity for less than twelve months	(2,988.06)	(5,651.25)
Interest Income on Fixed Deposit	473.46	60.22
Interest Income on NCD	96.39	-
Proceeds from sale / (purchase) of Investments	1,962.94	(1,178.61)
Net cash used in investing activities	(502.23)	(6,851.47)
Cash flow from financing activities		
Proceeds from issue of Equity Shares (Share capital)	534.76	333.34
Proceeds from issue of Equity Shares (Premium)	9,465.24	4,666.66
Proceeds from/(repayment) of Debt Securities	60,200.00	18,323.03
Proceeds from/(repayment) of Borrowings	28,478.33	34,368.82
Interest Expense on Borrowings	(11,679.96)	(7,853.84)
Interest Expense on Debt Securities	(5,208.06)	(1,129.68)
Other Borrowing Cost	(2,201.50)	(859.22)
Net cash generated from financing activities	79,588.81	47,849.11



Net increase in cash and cash equivalents	11,337.97	8,853.14
Cash and cash equivalents at the beginning of the year	11,257.19	2,404.05
Cash and cash equivalents at the end of the year	22,595.16	11,257.19

Components of Cash and Cash Equivalents

Balances with Banks		
- On current accounts	19,575.65	10,962.14
Remittance in Transit	3,019.51	295.05
Total Cash and Cash Equivalents (note 4)	22,595.16	11,257.19

Notes:

1. The Cash Flow Statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
As per our report of even date

For Shiromany Tyagi & Co.
Chartered Accountants
FRN 006117N



Pradeep Tyagi
Partner
Membership No.: 084840
Place: Delhi
Date: 25/05/2026



For and on behalf of the Board of the Directors of



Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 25/05/2026



Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 25/05/2026



Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 25/05/2026

PROGFIN PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31st March 2026
(Amounts in Indian INR, unless otherwise stated)

Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid up	No. of shares
At 1st April 2025	37,423,959
Issued during the year	5,347,593
At 31st March 2026	42,771,552
At 1st April 2024	34,090,626
Issued during the year	3,333,333
At 31st March 2025	37,423,959

Note :- There are no changes due to prior period errors in equity share capital.

Particulars	Equity share capital (Refer note 19)	Reserves and Surplus			Other Comprehensive Income	Total equity
		Share Premium (Refer note 20)	Retained earnings (Refer note 20)	Reserve fund as per RBI Act (Refer note 20)	Decumulated equity (Refer note 20)	
At 1st April 2025	3,742,40	51,430.74	1,623.95	406.52	1,704.84	58,876.72
Profit after tax	-	-	1,351.30	-	-	1,351.30
Other Comprehensive Income (net of tax)	-	-	-	-	-	(9.90)
Issue of Shares	534.76	-	-	-	-	534.76
Premium on issue of Equity shares during the year (net of share issue expense)	-	9,465.24	-	-	-	9,465.24
Transfer to Reserve Fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-	(270.26)	270.26	-	-
Contribution by Holding Company	-	-	-	-	-	-
At 31st March 2026	4,277.16	60,895.98	2,704.99	676.78	2,199.30	70,712.58
At 1st April 2024	3,409.86	46,764.08	651.25	163.35	1,045.65	52,031.18
Profit after tax	-	-	1,215.87	-	-	1,215.87
Other Comprehensive Income (net of tax)	-	-	-	-	-	(29.52)
Issue of Shares	333.34	-	-	-	-	333.34
Premium on issue of Equity shares during the year (net of share issue expense)	-	4,666.66	-	-	-	4,666.66
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	-	-	(243.17)	243.17	-	-
Contribution by Holding Company	-	-	-	-	-	-
At 31st March 2025	3,742.40	51,430.74	1,623.95	406.52	1,704.84	58,876.72

Note :- There are no changes due to prior period errors or changes in accounting policies in other equity.

Material accounting policy information
The accompanying notes are an integral part of the Financial Statements
As per our report of even date

For Shriyani Tyagi & Co.
Chartered Accountants
FRN 006117N

For and on behalf of the Board of the Directors of PROGFIN PRIVATE LIMITED


Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 25/05/2026


Pallavi Srivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 25/05/2026

Pradeep Tyagi
Partner
Membership No.: 084840
Place: Delhi
Date: 25/05/2026


Shikha Malen
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 25/05/2026

PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

1 General Information

Progfin Private Limited ("PPL" or "the company") from the date of certificate of incorporation on 30th November 2022 under the Companies Act 2013. The registered office of the Company is situated at 1st Floor, C-3, Qutub Institutional Area, Katwaria Sarai, New Delhi – 110016. The Company is registered with Reserve Bank of India (RBI) as non deposit taking Non-systematically important Non Banking Financial Company (NBFC) with Registration no. B - 14.03631 and is certified as Progfin Private Limited.

2 Material Accounting Policy Information

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ('the NBFC Master Directions') issued by RBI as amended from time to time.

These Financial statements were approved by the Board of Directors in its meeting held on 25th May 2026.

2.2 Basis of preparation

The Financial Statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments and note 35)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the head of finance.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The preparation of these Standalone Financial Statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the Standalone Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.3 Functional and presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.4 Summary of material accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these Standalone Financial Statements.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

(a) Revenue from operations

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Interest income

The Company recognizes interest using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortized cost. 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 amortized cost of a financial liability.

On initial recognition, the processing fees shall be adjusted from fair value of the loans disbursed by the company. Subsequently, these loans shall be measured at amortized cost by recognizing interest income using EIR over the underlying loan tenure. Thus, the processing fees adjusted on initial recognition shall be recognized over the period of time through interest income. Interest income and ad hoc interest these are recognized on a EIR basis over the life of the loan.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cashflows is recognized on realization.

(b) Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity and other incentives to employees.

Short-term employee benefits

A Liability is recognized for short-term employee benefits accruing to employees in respect of salaries, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post-employment and termination benefit costs

Payments to defined contribution benefit plans (i.e. Provident Fund and Employee State Insurance Scheme) are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprises actuarial gains and losses which is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

(c) Share-based payments

Employees of the Company also receive remuneration in the form of share based payment transactions under the parent Company's Employee stock option plan (ESOP) - 2025.

The Company accounts for the share based payments as follows:

Equity settled transactions

The options are measured at their grant date fair value and based on the number of equity instruments expected to vest. Expenses are recognized as part of the employment expenses with reference to the vesting period of these options. To the extent that the Company does not compensate the parent company for the options offered to its employees, a corresponding credit is recognized in the contributed equity.

(d) Taxation

Income tax expense comprises the sum of the tax currently tax payable and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.



PROGFTN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

Deferred tax is not recognized for:

- (i) temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- (ii) temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Financial asset at amortized cost
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (iii) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets that meet the following conditions are subsequently measured at amortized cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- (i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- (ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- (i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- (ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All Financial assets (Debt instruments) that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortized cost criteria or the FVTOCI criteria may irrevocably be designated as at FVTPL and measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses

(i) Financial assets at FVTPL – These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

(ii) Financial assets at amortized cost – These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

(iii) Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

(iv) Equity instruments at FVTOCI - These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL and financial guarantees. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For measurement of loss allowance in case of financial guarantee contracts, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, 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.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 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.

(i) Significant increase in credit risk

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company applies a three-stage approach to measure ECL on financial guarantee contracts. The underlying receivables of debtors migrate through the following three stages based on the change in credit quality since initial recognition.

Stage 1: 12-Months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Exposures with DPD equal to 31 days but less than or equal to 90 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for underlying receivables of debtors since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

Stage 3: Lifetime ECL – credit impaired

Receivable of debtor is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For receivable of debtors that have become credit impaired, a lifetime ECL is recognized on principal outstanding as at period end.

Exposures with DPD equal to or more than 90 days are classified as stage 3.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due.

The measurement of all expected credit losses for financial guarantee contracts held at the reporting date are based on historical experience, current conditions, and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
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As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in a separate component of equity wherein fair value changes are accumulated, and does not reduce the carrying amount of the financial asset in the balance sheet.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation:

- (i) to deliver cash or another financial asset to another entity; or
- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

- (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
- (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Financial liabilities subsequently measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.



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Notes to Financial Statements for the Year ended 31st March, 2026
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(f) Reclassification of financial assets and liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(h) Impairment of non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(i) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the amount recognized as a provision is the best estimate of the consideration expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

(j) Cash and Cash-Equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(k) Contingent liabilities and Contingent Assets

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Standalone Financial Statements.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefit is probable on the basis of judgement of management. These are assessed continuously to ensure that developments are appropriately reflected in the Financial Statements.

(l) Financial Guarantee Asset

The parent Company has issued a financial guarantee against loan taken by the Company. The financial guarantee has been recognized as an asset at fair value, and is amortized over the period of the loan as required by Ind AS 109.

(m) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issue data later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.



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Notes to Financial Statements for the Year ended 31st March, 2026
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(n) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

(o) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Cost of an item of property, plant and equipment comprises its purchase price and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent Costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in Statement of Profit and Loss as and when incurred.

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. 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 included in the income statement when the asset is derecognized.

Depreciation and amortization

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in the statement of profit and loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Assets category	Estimated useful life
• Computers	3 years
• Office Equipments	5 years

Depreciation on additions to PPE is provided on a prorata basis from the date the assets are acquired/installed. Depreciation on sale or disposal of assets is provided upto the date of sale/disposal.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

3 Use of judgement and estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognized prospectively in current and future periods. Therefore actual results could differ from the estimates recognized in the period in which estimate is revised if the revision affects only that period, in the period of revision and future periods if the revision affects both current and future periods.

(l) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Significant management assumptions are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Refer Note 30 for further details.

c) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.



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Notes to Financial Statements for the Year ended 31st March, 2026
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Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

4 New and Amended Standards:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 applicable to the Company w.e.f. 1st April, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

- (i) The amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information. The amendments do not have a material impact on the Company's financial statements.
- (ii) Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
- What is meant by a right to defer settlement
 - That a right to defer must exist at the end of the reporting period
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. If there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current. The amendments are effective for annual reporting periods beginning on or after April 01, 2025, retrospectively in accordance with Ind AS 8. The amendments do not have a material impact on the Company's financial statements.
- (iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements
In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments do not have a material impact on the classification of Company's liabilities.
- (iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12
In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:
- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
 - Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.
- The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 1, 2025, but not for any interim periods ending on or before March 31, 2026. The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.



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Notes to Financial Statements for the Year ended 31st March, 2026

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11	Property, Plant and Equipment				
		Computers	Office Equipments	Furnitures and Fixtures	Total
Gross carrying amount					
As at 31st March 2024		37.42	-	-	37.42
Additions		77.71	4.68	-	82.39
Disposals/Adjustments		(1.63)	-	-	(1.63)
As at 31st March 2025	(A)	113.50	4.68	-	118.18
Additions		42.40	3.70	0.86	46.96
Disposals/Adjustments		(0.03)	-	-	(0.03)
As at 31st March 2026	(B)	155.87	8.38	0.86	165.11
Accumulated depreciation and impairment losses					
As at 31st March 2024		0.09	-	-	0.09
Charge for the year		33.73	0.20	-	33.93
Disposals/Adjustments		(1.07)	-	-	(1.07)
As at 31st March 2025	(C)	32.75	0.20	-	32.95
Charge for the year		45.21	1.46	0.13	46.79
Disposals/Adjustments		(0.03)	-	-	(0.03)
As at 31st March 2026	(D)	77.93	1.66	0.13	79.71
Net carrying amount as at 31st March 2026	(B)-(D)	77.94	6.72	0.73	85.40
Net carrying amount as at 31st March 2025	(A)-(C)	80.75	4.48	-	85.23



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Financial assets

	As at 31st March 2026	As at 31st March 2025
4 Cash and cash equivalents		
Balance with banks		
- In current accounts	19,575.65	10,962.14
Remittance in Transit	3,019.51	295.05
Total	22,595.16	11,257.19
5 Bank balances other than cash and cash equivalents		
Deposits with Banks*		
- Remaining maturity for less than twelve months**	9,255.03	6,281.08
Total	9,255.03	6,281.08
*Include Interest Accrued amounting to INR 72.43 Lakhs (PY INR 86.54 Lakhs)		
**Total Deposits with banks amounting to INR 8087.92 Lakhs (PY INR 4281.08 Lakhs) are under lien out of which Deposit amounting to INR 5045.10 Lakhs (PY INR 2021.05 Lakhs) are under lien against PTC, Deposits amounting to INR 142.82 Lakhs (PY INR 2260.03 Lakhs) are under lien against Co Lending Arrangement and Deposits amounting to INR 2900 Lakhs (PY NIL) are under lien against other borrowings.		
6 (A) Loans at amortized cost		
Supply Chain Finance	156,327.84	100,672.21
WCDL-TL	86,820.66	54,771.44
Gross Loans	243,148.50	155,443.65
Less : Provision for Impairment loss	(1,839.86)	(1,277.46)
Total	241,308.64	154,166.19
(B)		
Secured	-	-
Unsecured	243,148.50	155,443.65
Gross Loans	243,148.50	155,443.65
Less : Provision for Impairment loss	(1,839.86)	(1,277.46)
Total	241,308.64	154,166.19
(C)		
I. Loans in India		
i) Public Sector	-	-
ii) Others	243,148.50	155,443.65
Gross Loans	243,148.50	155,443.65
Less : Provision for Impairment loss	(1,839.86)	(1,277.46)
Total - Net loans (a)	241,308.64	154,166.19
II. Loans Outside India (b)		
	-	-
Total - Net loans (a) + (b)	241,308.64	154,166.19
7 Investments		
(A)		
Investments at FVTPL		
Mutual Funds	-	1,353.99
(Investment in SBI Liquid Fund of Nil (PY: 33,369.99 units))	-	-
Total Investments	-	1,353.99
(B)		
Investment in India	-	1,353.99
Investment Outside India	-	-
Total Investments	-	1,353.99



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Notes to Financial Statements for the Year ended 31st March, 2026
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8	Other Financial Assets Unsecured, considered good	As at 31st March 2026	As at 31st March 2025
	Unbilled Revenue	37.26	132.22
	Employee Advances	63.73	44.70
	Other Receivables	335.06	812.46
	Interest Accrued but not due on Loans	1,060.58	605.47
	Total	1,496.63	1,594.85
Non Financial assets			
9	Current Tax Assets/(Liability) (Net) Advance Tax Paid (net of provision) Total - Assets/(Liability)	As at 31st March 2026	As at 31st March 2025
		(22.49)	52.63
		(22.49)	52.63
10	Deferred Tax Assets (Net) Deferred Tax Total	As at 31st March 2026	As at 31st March 2025
		465.05	395.79
		465.05	395.79
<i>*For detail breakup refer note no-29.</i>			
12	Other Non Financial Assets Unsecured, considered good	As at 31st March 2026	As at 31st March 2025
	Supplier Advances	215.01	42.41
	GST Receivable	208.86	169.40
	Prepaid Expenses	238.66	391.02
	Others	36.81	4.88
	Total	699.34	607.71



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Notes to Financial Statements for the Year ended 31st March, 2026
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Financial Liabilities

	As at 31st March 2026	As at 31st March 2025
13 Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	14.95	40.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	495.65	493.29
Total	510.60	533.33

(For details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006, refer note no-32.)

Ageing

Outstanding for following periods from date of transaction as on 31st March 2026					
Particulars	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
MSME	14.95	-	-	-	14.95
Others	495.65	-	-	-	495.65
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	510.60	-	-	-	510.60

Outstanding for following periods from date of transaction as on 31st March 2025					
Particulars	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
MSME	40.04	-	-	-	40.04
Others	493.29	-	-	-	493.29
Disputed dues – MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	533.33	-	-	-	533.33

	As at 31st March 2026	As at 31st March 2025
15 Borrowings (other than debt securities)		
Term Loans		
At Amortized Cost		
A. Term Loans (Secured)		
- From Banks	14,593.06	11,253.16
- From Others	33,452.73	29,598.23
Less: Unamortized transaction cost	(179.75)	(281.12)
Sub Total (A)	47,866.04	40,570.27
B. Loan Repayable on demand (Secured)		
- Working capital Demand Loans from banks	17,000.00	22,500.00
- Other loans from banks(OD)	823.60	-
Less: Unamortized transaction cost	(35.92)	(67.48)
Sub Total (B)	17,787.68	22,432.52
C. Pass Through Certificates (Secured)	52,496.44	16,536.12
Less: Unamortized transaction cost	(134.80)	(59.76)
Sub Total (C)	52,361.64	16,476.36
D. Inter Corporate Deposits (ICDs) (Unsecured)	2,422.76	12,422.75
Total (A+B+C+D)	120,438.12	91,901.90
Secured	118,015.36	79,479.15
Unsecured	2,422.76	12,422.75
Total	120,438.12	91,901.90
In India	120,438.12	91,901.90
Outside India	-	-
Total	120,438.12	91,901.90



PROGFIN PRIVATE LIMITED**Notes to Financial Statements for the Year ended 31st March, 2026**

(Amounts in lakhs INR, unless otherwise stated)

Notes:

- 1 Term Loan from Banks is repayable in monthly installments having maturity period ranging from 12 months to 24 months and rate of interest on such loans is ranging from 9.95% p.a. to 12% p.a.
- 2 Term Loan from Others is repayable in monthly installments having maturity period ranging from 12 months to 24 months and rate of interest on such loans is ranging from 10.25% p.a. to 12.55% p.a.
- 3 ICDs are taken from companies within group having rate of interest ranging from 7.5% to 10% p.a..
- 4 WCDL from Banks and others are carrying rate of interest ranging from 9.45% to 13.40% p.a.
- 5 The Company has not defaulted in the repayment of borrowings and interest thereon for the year ended March 31, 2026 and March 31, 2025.
- 6 Term Loans, WCDL and pass through certificates are secured by first and exclusive charged by way of Hypothecation over identified qualifying loan receivable.
- 7 Other loans from banks represents loans taken against the hypothecations of Fixed Deposit Receipts having interest rate of 8% pa.
- 8 Parent Company has provided Corporate Guarantee against the borrowings by the Company from the Banks and others for loans having outstanding balance of Rs. 19,824.69 lakhs (PY 63,351.47 lakhs)
- 9 The quarterly returns or statements filed by the Company with banks or financial institutions are in agreement with books of accounts.

	As at 31st March 2026	As at 31st March 2025
16 Other Financial Liabilities		
Interest Accrued but not due	536.46	404.79
Margin Money/ Security deposits (foot note 1)	-	561.27
Other Payable	-	262.11
Payable to holding / fellow subsidiary company	305.97	1,246.44
Employee related liability	1,176.87	229.92
Total	2,019.30	2,704.53

Note:

1) The company has received deposits from dealers / distributors as a performance security for providing funding to their retailer networks. Till 31st March 2025, company has transferred deposits amounting to INR 4783.78 lakhs to the holding company, as per arrangement entered with the dealer where in dealers has permitted the company to transfer deposits collected by the company. In addition to above, dealers are now remitting such deposits directly to holding company and repayments are made from holding company. Balance deposit outstanding represents deposits as of March, 2025 were transferred to holding company during the current year. In the view of management, such deposits are not under the preview of definition of deposits as per RBI directives and the Companies Act 2013, as same are being received in ordinary course of business.

Non Financial Liabilities

	As at 31st March 2026	As at 31st March 2025
17 Provisions		
Provision for gratuity	494.35	329.96
Total	494.35	329.96

	As at 31st March 2026	As at 31st March 2025
18 Other Non Financial Liabilities		
Statutory Dues	226.41	176.35
Deferred Processing and Renewal fees	830.65	703.29
Others	1,589.15	1,045.55
Total	2,646.21	1,925.19



PROFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

14 Debt Securities

	As at 31st March 2026		As at 31st March 2025	
	At amortised cost	Total	At amortised cost	Total
(A)				
Secured				
Redeemable non-convertible debentures	74,875.00	74,875.00	17,175.00	17,175.00
Unsecured				
Commercial Papers from Financial Institutions	5,000.00	5,000.00	2,500.00	2,500.00
Total	79,875.00	79,875.00	19,675.00	19,675.00
Less: Unamortized transaction cost	(813.40)	(813.40)	(151.97)	(151.97)
Total	79,061.60	79,061.60	19,523.03	19,523.03
(B) Out of above				
Debt securities in India	77,861.60	77,861.60	18,323.03	18,323.03
Debt securities outside India	1,200.00	1,200.00	1,200.00	1,200.00
Total	79,061.60	79,061.60	19,523.03	19,523.03

Redeemable non-convertible debentures (Secured):

ISIN No	Description	As at 31st March 2026	As at 31st March 2025
INE0MYJ07047	1500 units having face value of INR 1,00,000 issued on 27th September 2024 where principle is to be repaid in 24 equal monthly installments starting from 27th October 2024.	375.00	1,125.00
INE0MYJ07062	2000 units having face value INR 1,00,000 issued on 18th October 2024 where principle is to be repaid in 10 equal quarterly installments starting from 13th March 2025.	1,000.00	1,800.00
INE0MYJ07104	3,200 units having face value INR 1,00,000 issued on 03rd April 2025, where the principal is to be repaid in 8 equal quarterly installments starting from full on 28th June 2025.	1,600.00	-
INE0MYJ07153	1,600 units having face value INR 5,00,000 issued on 4th July 2025, where the principal is to be repaid in 24 equal monthly installments starting from full on 31st July 2025.	5,000.00	-
INE0MYJ07088	3000 units having face value INR 1,00,000 issued on 29th October 2024 where principle of INR 2950 Lakhs payable on 30th November 2024 and balance principle of INR 50 Lakhs payable on 31st October 2025.	-	50.00
INE0MYJ07021	2500 units having face value INR 1,00,000 issued on 20th September 2024 where principle is to be repaid in full on 20th December 2025.	-	2,500.00
INE0MYJ07054	3000 units having face value INR 1,00,000 issued on 17th October 2024 where principle is to be repaid in full on 17th February 2026.	-	3,000.00
INE0MYJ07096	3000 units having face value INR 1,00,000 issued on 31st January 2025 where principle is to be repaid in 10 equal monthly installments starting from 7th March 2026.	2,700.00	3,000.00
INE0MYJ07070	3000 units having face value INR 1,00,000 issued on 21th October 2024 where principle is to be repaid in 11 equal quarterly in full on 31th March 2026.	-	3,000.00
INE0MYJ07146	5000 units having face value INR 1,00,000 issued on 29th October 2025, where the principal is to be repaid in 6 equal quarterly installments starting from 28th April 2026.	5,000.00	-
INE0MYJ07120	10,000 units having face value INR 1,00,000 issued on 26th September 2025, where the principal is to be repaid in 2 quarterly installments starting from 26th November 2026.	10,000.00	-
INE0MYJ07138	1,00,000 units having face value INR 10,000 issued on 13 October 2025, where the principal is to be repaid in 2 equal Monthly installments starting from 13th December 2026.	10,000.00	-
INE0MYJ07161	10,000 units having face value INR 1,00,000 issued on 21 January 2026, where the principal is to be repaid in full on 21 April 2027.	10,000.00	-
INE0MYJ07179	1,00,000 units having face value INR 10,000 issued on 30 January 2026, where the principal is to be repaid in 3 equal Monthly installments starting from full on 30 May 2027.	12,000.00	-
INE0MYJ07187	7500 units having face value INR 1,00,000 issued on 30 March 2026, where the principal is to be repaid in 3 equal quarterly installments starting from 30 June 2027.	7,500.00	-
INE0MYJ07039	150 units having face value INR 10,00,000 issued on 30th September 2024 where principle is to be repaid in 5 equal monthly installments starting from 25th July 2027.	1,500.00	1,500.00
INE0MYJ07112	50,000 units having face value INR 10,000 issued on 19th September 2025, where the principal is to be repaid in full on 4th October 2027.	7,000.00	-
INE0MYJ07113	120 units having face value INR 10,00,000 issued on 1st April 2024, where the principal is to be repaid in full on 02nd April 2027.	1,200.00	1,200.00
TOTAL		74,875.00	17,175.00

Notes:

- 1) All Non Convertible Debentures are redeemable at par and carrying interest rate ranging from 5.5% p.a. to 13% p.a.
- 2) The above Secured Non-Convertible Debentures are secured by hypothecation of receivables under financing activities. The Company has maintained the required Security Cover.
- 3) Above borrowings were used fully for the purpose for which the same were obtained.
- 4) There was no defaults in the repayment of the above borrowings.
- 5) The amount disclosed above represent the principal outstanding as at March 31, 2026 and as at March 31, 2025.
- 6) The quarterly returns or statements filed by the Company with banks or financial institutions or trustees are in agreement with books of accounts.
- 7) The interest on all Non Convertible Debenture payable on monthly basis except for three Non Convertible Debenture (ISIN no-INE0MYJ07113, INE0MYJ07062 and INE0MYJ07104) where interest are paid on quarterly basis.
- 8) Parent Company has provided Corporate Guarantee against the debt securities which is having outstanding balance of Rs.7,175 lakhs (PY-15,925 lakhs)



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

19 Share capital

19 A Authorized share capital

As at 1st April 2024	
Increase/(Decrease) during the year	
As at 31st March 2025	
Increase/(Decrease) during the year	
As at 31st March 2026	

Equity Shares (Face Value INR 10 per share)	
Number of shares	Amount
21,000,000.00	2,100.00
19,000,000.00	1,900.00
40,000,000.00	4,000.00
7,000,000.00	700.00
47,000,000.00	4,700.00

19 B Issued, subscribed and fully paid up share capital

As at 1st April 2024	
Increase/(Decrease) during the year	
As at 31st March 2025	
Increase/(Decrease) during the year	
As at 31st March 2026	

Equity Shares (Face Value INR 10 per share)	
Number of shares	Amount
34,090,626.00	3,409.06
3,333,333.00	333.34
37,423,959.00	3,742.40
5,347,593.00	534.76
42,771,552.00	4,277.16

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held. In the event of liquidation of the company the holders of equity share will be entitled to receive the assets in proportion to the number of equity shares held by each of them.

19 C Reconciliation of the number of fully paid up equity shares and amount outstanding at the beginning and at the end of the year:

	Number	Amount
As at 1st April 2024	34,090,626.00	3,409.06
Increase/(Decrease) during the year	3,333,333.00	333.34
As at 31st March 2025	37,423,959.00	3,742.40
Increase/(Decrease) during the year	5,347,593.00	534.76
As at 31st March 2026	42,771,552.00	4,277.16

During the year the company issued 53,47,593 equity shares (PY 33,33,333 equity shares) of face value INR 10 per share at a premium of INR 177 Per share (PY INR 140 per share)

19 D Details of promoter shareholding

Shares held by promoters at the end of the year

	As at 31st March 2026	%	As at 31st March 2025	%
Number	Number		Number	
42,771,552.00	100%		37,423,959.00	100%
42,771,552.00	100%		37,423,959.00	100%

Equity shares
Desiderata Impact Ventures Private Limited

There is no change in promoters shareholding for the year ending 31st March 2026.



Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

20 E

Other Comprehensive Income
Remeasurement of defined benefit plans

As at 1st April 2024	(2.21)
Amount for the year	(29.52)
As at 31st March 2025	(31.73)
Amount for the year	(9.90)
As at 31st March 2026	(41.63)

Total other equity
As at 31st March 2025
As at 31st March 2026

55,134.32
66,435.42

Nature and Purpose of Reserves	
Securities Premium Reserve	Security premium reserve is used to record the premium on the issue of shares. The reserve will be utilized in accordance with provisions of the Companies Act, 2013.
Special Reserve Account/Statutory Reserve	Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.
Retained Earnings	Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.
Deemed Equity	Financial guarantees charges against loans taken by the company provided free of cost and cost of employee share based payments for share options of holding company.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

	For the Year ended 31st March 2026	For the year ended 31 March 2025
21 Revenue from operations		
Interest Income on loans (at amortized cost) on EIR	33,701.17	23,068.18
Fees and incidentals	2,191.89	2,261.75
Total	35,893.06	25,329.93
22 Other Income		
Interest on fixed deposit	459.35	146.75
Interest on NCD	96.39	-
Realised gain on sale of Mutual Funds	586.90	160.27
Realised gain on sale of NCD	22.05	-
Net gain on fair valuation of investment measured at FVTPL	-	15.11
Miscellaneous Income	482.00	147.38
Total	1,646.69	469.51
23 Finance costs		
Interest expense on borrowings	11,690.77	7,999.13
Interest Expense on Debt Securities	5,328.92	1,197.47
Other borrowing cost	1,597.96	859.22
Total	18,617.65	10,055.82
24 Fees and commission expense		
Fees and commission expense	2,999.92	2,353.85
Total	2,999.92	2,353.85
25 Employee Benefit Expenses		
Salaries, wages and bonus	8,463.61	7,001.85
Contribution to Provident & Other fund	97.24	94.17
Gratuity expenses	139.68	105.64
Share based payment expenses*	445.11	308.95
Total	9,145.64	7,510.61
*ESOP's have been granted to the employees of the company wherein shares of parent company (Desiderata Impact Ventures Private Limited) will be issued.		
26 Impairment and Write Offs		
Impairments provisions	562.40	54.49
Loss on settlement and loan closure	397.77	158.89
Bad debt written off (net of recoveries)	1,933.79	2,239.78
	2,893.96	2,453.16



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

27 Other expenses	For the Year ended 31st March 2026	For the year ended 31 March 2025
Advertisement Expense	28.50	29.08
Travelling and Conveyance	412.12	332.94
Payment to Auditors*	14.54	7.50
Legal and Professional fees	244.43	312.58
GST Expenses on Corporate Guarantee	75.59	90.40
Bank Charges	4.47	2.42
ROC Fees	0.63	1.96
Rent, Repairs and Taxes	81.68	74.45
Insurance Charges	49.47	52.90
Housekeeping Expense	14.04	21.88
CSR Expense	24.30	6.47
Collection Deficiency charges	165.79	298.52
Lending Operational Charges	174.34	112.39
IT Support Services	230.10	66.25
Guarantee Fees	200.98	204.58
Miscellaneous Expenses	241.96	84.94
Total	1,962.94	1,699.26

***Payment to Auditors**

Audit Fee	6.50	6.00
Limited review Fee	6.00	-
Tax Audit Fee	1.50	1.50
In other capacity:		
Certification Fee	0.54	-
	14.54	7.50

28 Earnings per share (EPS)

The following reflects the profit and share data used for the basic and diluted EPS computations:

	For the Year ended 31st March 2026	For the year ended 31 March 2025
Net profit for calculation of basic EPS	1,351.30	1,215.87
Weighted average number of equity shares for calculating basic EPS	38,570,395	34,923,933
Basic earnings per share	3.50	3.48
Net profit for calculation of diluted EPS	1,351.30	1,215.87
Weighted average number of equity shares for calculating diluted EPS	38,570,395	34,923,933
Diluted earnings per share	3.50	3.48
Face value per share	10.00	10.00



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026

(Amounts in INR lakhs, unless otherwise stated)

29 Income taxes

The major components of income tax expense/(credit) are :

a) Income tax expense/(credit) recognized in Statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax		
Current income tax for the year	502.36	571.69
	502.36	571.69
Deferred tax		
Relating to origination and reversal of temporary differences	27.08	(104.35)
	27.08	(104.35)
Excess/short provision of tax of earlier years		
Tax expense for earlier years	(7.89)	9.60
	(7.89)	9.60
Total income tax expense/(credit)	521.55	476.94

b) Income tax expense/(credit) recognized in Other Comprehensive Income (OCI)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Total income tax expense/(credit)	(3.33)	(9.93)

c) The income tax expense for the year can be reconciled to the profit before tax as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	1,872.85	1,692.81
Tax expense at statutory income tax rate of 22% plus applicable surcharge and Cess (31 March 2025: 22%)	471.40	426.08
Impact of Taxes of earlier years	(7.89)	9.60
Impact of expenses not deductible	58.04	41.26
Total Tax expense	521.55	476.94

d) Breakup of deferred tax recognized in the Balance sheet

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax asset:		
Gratuity	121.53	53.57
Impact of income / expense deferred	-	57.72
Impairment loss on lending business	422.87	289.07
Total deferred tax assets	544.40	400.36
Deferred tax liabilities:		
Related to property, plant and equipment	2.10	4.58
Impact of income / expense deferred	77.25	-
Total deferred tax liabilities	79.35	4.57
Net deferred tax assets/(liabilities)	465.05	395.79



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026
(Amounts in Lakhs INR, unless otherwise stated)

30 Employee benefits

A Defined benefit plans – Gratuity defined benefit plan

The Company's gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service or part thereof in excess of 6 months, subject to a maximum limit of INR 2 million in terms of the provisions of The Code on Social Security, 2020. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date.

The amount included in the balance sheet arising from the company's obligation in respect of its gratuity plan is as follows:

Gratuity – Defined benefit plan

Present value of unfunded defined benefit obligation

As at 31st March 2026	As at 31st March 2025
494.35	329.96
494.35	329.96

a) Reconciliation of the net defined benefit liability

Reconciliation of present value of defined benefit obligation of gratuity

Balance at the beginning of the year

Current service cost

Net Interest Cost

Actuarial (Gain)/Loss on total liabilities:

- due to change in financial assumptions

- due to change in demographic assumptions

- due to experience variance

Liability Transferred In / (Out) - Net

Benefit Paid

Balance at the end of the year

As at 31st March 2026	As at 31st March 2025
329.96	172.87
117.83	93.21
21.84	12.43
(5.67)	10.10
-	-
18.89	29.34
24.30	23.62
(12.82)	(11.61)
494.35	329.96

b) Amount recognized in statement of profit and loss:

Current service cost

Net Interest Cost

Recognized in profit or loss

For the year ended 31 March 2026	For the year ended 31 March 2025
117.83	93.21
21.84	12.43
139.67	105.64

c) Amount recognized in other comprehensive income:

Actuarial gain / (loss) on liabilities

Actuarial gain / (loss) on assets

Recognized in other comprehensive income

For the year ended 31 March 2026	For the year ended 31 March 2025
13.23	39.45
-	-
13.23	39.45

The most recent actuarial valuations of the present value of the defined benefit liability were carried out at 31 March 2026. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

d) The principal assumption used for the purpose of actuarial valuation are as follows:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Discount rate

Expected rate of salary increase

Retirement age

Attrition rate

Mortality table

As at 31st March 2026	As at 31st March 2025
6.80%	6.54%
8.00%	8.00%
60yrs	60yrs
20.00%	20.00%
100% of IALM 2012-14	100% of IALM 2012-14

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

e) The plan typically exposes the Company to actuarial risks such as: Interest rate risk, longevity risk and salary risk.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

f) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity

For the year ended 31 March 2026

Impact of change in discount rate by 0.5%

Impact of change in salary by 1%

Impact of change in employee turnover rate by 5%

Increase	Decrease
(10.53)	11.02
20.63	(19.71)
(23.85)	26.32

For the year ended 31 March 2025

Impact of change in discount rate by 0.5%

Impact of change in salary by 1%

Impact of change in employee turnover rate by 5%

(7.82)	8.20
15.37	14.54
(25.57)	29.49

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

g) The table below summarizes the maturity profile and duration of the gratuity liability:

Particulars

1st following year

2nd following year

3rd following year

4th following year

5th following year

Sum of year 6 to 10

As at 31st March 2026	As at 31st March 2025
53.28	24.69
77.12	37.83
74.92	51.50
72.61	49.54
61.87	47.10
364.02	268.38
705.82	479.24



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026

(Amounts in INR lakhs, unless otherwise stated)

31 Capital management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and-
- Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders.

Particulars	As at 31st March	As at 31st March
	2026	2025
Net debts*	176,904.56	100,167.74
Total equity	70,712.58	58,876.72

*Net debts = Long term borrowings + short term borrowing – cash and cash equivalents

Gearing Ratio

The Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total equity (as shown in the statement of assets and liabilities).

The gearing ratio at end of the reporting year was as follows.

Particulars	As at 31st March	As at 31st March
	2026	2025
Debt Securities	79,061.60	19,523.03
Borrowings	120,438.12	91,901.90
Cash and cash Equivalents	22,595.16	11,257.19
Adjusted Net Debt (A)	176,904.56	100,167.74
Total Equity (B)	70,712.58	58,876.72
Net Debt to Equity Ratio	2.50	1.70

Capital Adequacy Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under

Particulars	As at 31st March	As at 31st March
	2026	2025
Capital Adequacy Ratio	30.26%	37.34%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2026 and 31st March, 2025.



32 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	As at 31st March 2026	As at 31st March 2025
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	14.95	40.04
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026
(Amounts in INR lakhs, unless otherwise stated)

33 Employee Stock Option Plan – 2025

The Parent company established the Progcap Stock Option Policy 2019 which was approved by the shareholders vide their special resolution dated 5th April, 2019. Further the parent company established the revised Progcap Stock option policy 2025 which was approved by the shareholder by passing special resolution in the board meeting dated 25th August 2025. From 25th August 2025 ESOP will be issued to eligible employees as per Progcap Stock Option Policy 2025.

Vesting condition: The vesting condition of options is continued employment and completion of service period.

Vesting period: The company has issued the options with graded vesting. The options vest in 4 tranches of 25% each over a period of 1- 4 years

Exercise period: Options vested shall be eligible to be exercised within one month of expiry of seven years from the date of grant or upon occurrence of a corporate action, whichever is earlier. The option shall lapse if not exercised within the exercise period.

a. The following table represents movement during the year

	As at 31st March 2026		As at 31st March 2025	
	No of options	WAEP	No of options	WAEP
Outstanding at the beginning of the year	710.62	8,768	685.38	9,985
Options granted during the year	241.00	450	90.33	406
Options exercised during the year	-	-	-	-
Options forfeited during the year	48.35	8,768	65.09	9,985
Options cancelled	-	-	-	-
Unvested Options Outstanding at the end of the year	<u>903.27</u>		<u>710.62</u>	
Exercisable at the end of the year				

The share options granted during the year which is outstanding at the end of the year had a weighted average exercise price of INR 4,50,000 and a weighted average remaining contractual life of 6.29 years.

b The range of Exercise Price for March 2025 and March 2026 is INR 10 - INR 9,05,976

	For the Year ended 31st March 2026	For the year ended 31 March 2025
c Expense arising from equity-settled share-based payment transactions	445.11	308.95

The weighted average fair value of options granted during the year was INR 3,46,801 per option.

d The estimation of fair value on date of grant was made using the Black-Scholes model in Holding Company with the following assumption :**Inputs for measurement of grant date fair values of ESOPs****ESOP 2025 Scheme :**

Particulars	For the Year ended 31st March 2026	For the year ended 31 March 2025
Exercise price- (in INR)	450,000	10 - 9,05,967
Fair value at grant date- (in INR)	3,74,182 - 3,95,885	3,55,566 - 6,02,517
Expected Volatility (Standard Deviation - Annual)	45.29%	51.00%
Risk free rate	5.87% - 6.47%	7.58%
Dividend yield	0%	0%



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

34 Related Party Disclosures**a) Parent and ultimate controlling party**

During the year ended 31 March 2023, 100% of the Company's shares were acquired by Desiderata Impact Ventures Private Limited making it the new holding company.

b) Names of related parties and related party relationship

The names of related parties where control exists and/or with whom transactions have taken place during the period and description of relationship as identified by the management are:

Particulars	Nature of Relationship
Desiderata Impact Ventures Private Limited	Holding Company
Progcap Financial Services Pvt. Ltd.	Fellow subsidiary
Key Management Personnel	
Pallavi Shrivastava	CEO & Whole Time Director
Himanshu Chandra	Director
Ashish Kumar Singh	Independent Director(W.e.f 26th May 2025)
Shikha Maken	Company Secretary(W.e.f 27th December 2024)
Shushil Thakkar	Company Secretary upto 20th December 2024

Transactions with Related Parties

Particulars	31st March 2026	31st March 2025
Management Fees Expense		
Desiderata Impact Ventures Private Limited	2,752.22	2,006.56
Guarantee fees Expense		
Desiderata Impact Ventures Private Limited	200.98	350.24
Remuneration		
Pallavi Shrivastava	197.34	-
Ashish Kumar Singh(Sitting Fees)	7.00	-
Shikha Maken	29.00	5.99
Shushil Thakkar	-	74.86
Interest Expense on Inter Corporate Deposits		
Desiderata Impact Ventures Private Limited	1,002.41	979.72
Progcap Financial Services Private Limited	15.08	12.11
Issue of capital (including premium)		
Desiderata Impact Ventures Private Limited	10,000.00	5,000.00
c) Outstanding Balances with Related Parties Common control enterprises		
Desiderata Impact Ventures Private Limited - payable/(recoverable)	304.82	1,234.33
Desiderata Impact Ventures Private Limited - ICD payable	2,222.76	12,222.76
Progcap Financial Services Private Limited - ICD payable	200.00	200.00
Progcap Financial Services Private Limited - payable/(recoverable)	1.15	12.11

d) All transactions with Related Parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business

e) Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans and Guarantees (net of provision)

There are no such transactions during the year.

f) Details of maximum balance outstanding during the year in respect of Inter Company Deposit

	31st March 2026	31st March 2025
Desiderata Impact Ventures Private Limited - ICD payable	12,222.76	12,222.76
Progcap Financial Services Private Limited - ICD payable	200.00	200.00



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

35 Financial Instruments

Set out below, are the fair values of the financial instruments of the Company, including their accounting classifications:

A Category-wise classification and their carrying value for financial assets and Liabilities:

Particulars	Level	31st March 2026		31st March 2025	
		Amortised Cost	FVTPL	Amortised Cost	FVTPL
ASSETS					
I) Measured at amortized cost:					
Cash and Cash Equivalents (Refer Note 4)	Level 3	22,595.16	-	11,257.19	-
Bank Balances other than Cash and Cash Equivalents (Refer Note 5)	Level 3	9,255.03	-	6,281.08	-
Loans (Refer Note 6)	Level 3	241,308.64	-	154,166.19	-
Other Financial Assets (Refer Note 8)	Level 3	1,496.63	-	1,594.85	-
II) Measured at FVTPL					
Investments (Refer Note 7)	Level 1	-	-	-	1,353.99
Total		274,655.46	-	173,299.31	1,353.99
LIABILITIES					
I) Measured at amortized cost:					
Trade Payables (Refer Note 13)	Level 3	510.60	-	533.33	-
Debt Securities (Refer Note 14)	Level 3	79,061.60	-	19,523.03	-
Borrowings (Refer Note 15)	Level 3	120,438.12	-	91,901.90	-
Other Financial Liabilities (Refer Note 16)	Level 3	2,019.30	-	2,704.53	-
Total		202,029.62	-	114,662.79	-

B Methods and assumptions:

i) For financial assets and financial liabilities that are of short-term nature, the carrying amount itself is considered as its fair value. Such instruments include: other financial assets and other financial liabilities.

ii) The fair values of loans and receivables are calculated using a portfolio-based approach, grouping loans as far as possible into homogenous groups based on similar characteristics. The fair value is then extrapolated to the portfolio using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. For loans having contractual residual maturity less than one year, the carrying value has been considered as fair value. Impairment loss allowance and adjustments related to effective interest rate are not part of above disclosure.

iii) The fair values of these instruments are estimated by determining the price of the instrument taking into consideration the origination date, maturity date, coupon rate, actual or approximation of frequency of interest payments and incorporating the actual or estimated/proxy yields of identical or similar instruments through the discounting factor. For instruments, having contractual residual maturity less than one year, the carrying value has been considered as fair value.

C There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2026 and 31 March 2025.

D The following is the basis of categorizing the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

36 Financial risk management objectives and policies

The company's management monitors and manages key financial risk relating to the operations of the Company by analyzing exposures by degree and magnitude of risk.

The risks include market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

f) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily loans) and from its financing activities, including deposits with banks and financial institutions and other financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit ratings (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Loans

Days past due based method implemented by Company for credit quality analysis of Loans

The table below shows the credit quality and the maximum exposure to credit risk based on the days past due and year-end stage classification of Loans. The amounts presented are gross of impairment allowances.

Outstanding Gross Loans (Days Past Due)	As at 31st March 2026				As at 31st March 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Zero overdue	219,742.46	-	-	219,742.46	140,564.88	-	-	140,565
1-30 days	12,405.43	-	-	12,405.43	7,266.30	-	-	7,266
31-60 days	-	4,570.92	-	4,570.92	-	3,281.84	-	3,282
61-90 days past due	-	2,865.21	-	2,865.21	-	2,499.86	-	2,500
More than 90 days	-	-	3,564.48	3,564.48	-	-	1,830.77	1,831
Total	232,147.89	7,436.13	3,564.48	243,148.50	147,831.18	5,781.70	1,830.77	155,443.65

Digital lending business

The Company's exposure to credit risk arise from the business model under which the Company facilitates credit to the users of its platform.

Concentration of credit risk

Concentrations arise when a number of users are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/ states/ customer base with a cap on maximum limit of exposure for an individual/ Company. Accordingly, the Company does not have concentration risk.

Analysis of Portfolio:

Particulars	Gross Exposure at default	Expected Credit Loss	Net Carrying Amount	Impact on Profit and Loss
As at 31st March 2025				
Where credit risk has not significantly increased from initial recognition (Stage 1)	147,831.18	180.55	147,650.63	(49.50)
Where credit risk has increased significantly but are not credit impaired (Stage 2)	5,781.70	539.02	5,242.68	281.52
Where credit risk has increased significantly and are credit impaired (Stage 3)	1,830.77	557.89	1,272.88	(177.53)
Total	155,443.65	1,277.46	154,166.19	54.49
As at 31st March 2026				
Where credit risk has not significantly increased from initial recognition (Stage 1)	232,147.89	142.33	232,005.56	(38.22)
Where credit risk has increased significantly but are not credit impaired (Stage 2)	7,436.13	473.44	6,962.69	(65.58)
Where credit risk has increased significantly and are credit impaired (Stage 3)	3,564.48	1,224.09	2,340.39	666.20
Total	243,148.50	1,839.86	241,308.64	562.40

Reconciliation of ECL Balance is given below:

Outstanding Gross Loans (Days Past Due)	As at 31st March 2026				As at 31st March 2025			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Allowance - Opening Balance	180.55	539.02	557.89	1,277.46	230.05	257.50	735.42	1,222.97
ECL Allowance - Recognized during the year	(38.22)	(65.58)	666.20	562.40	(49.50)	281.52	(177.53)	54.49
ECL Allowance - Closing Balance	142.33	473.44	1,224.09	1,839.86	180.55	539.02	557.89	1,277.46

Inputs, assumptions and estimation techniques used to determine expected credit loss

The Company's ECL provision are made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macro-economic parameters. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. The selection of variables was made purely based on business sense.

Forward looking PDs have been forecasted using Vasicek model by establishing a link between historic PD and macro economic variable. Best, base and worst scenarios were created for all the variables and default rates were estimated for all the scenarios. These default rates were then used with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

Write-off policy:

Financial assets are written-off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instruments in the Statement of profit and loss. The writeoff decisions are taken by the management which would be based on suitable justification notes presented by the responsible business / collections team.

Cash and cash equivalents and bank deposits

The company maintains its cash and cash equivalents, bank deposits and investment in mutual funds with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.



The Company has applied following assumptions for determination of ECL:

1) Definition of Default: The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations generally in most cases when the borrower becomes 90 days past due on its contractual payments. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- a) Significant financial difficulty of the borrower or issuer
- b) A breach of contract such as a default or past due event
- c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

2) "Loss given default" (LGD) is an estimate of loss from a transaction given that a default occurs.

3) "Probability of default" (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.

4) "Exposure at default" (EAD) represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company including loan commitments.

5) Forward looking information: The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, is lower of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio. ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP or once in events like de-monetization etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario

6) Assessment of significant increase in credit risk: The credit risk on a financial asset of the Company are assumed to have increased significantly since initial recognition when contractual payments are more than 30 days past due. Additionally, there is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency; short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Division Wise/ Sector wise Risk Concentration

1) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, who have established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecasts and actual cashflows, and by matching the maturity profiles of financial assets and liabilities.

The Company has access to financing facilities as described below. The Company expects to meet its other obligations from operating cashflows and proceeds of maturing financial assets.

	As at 31st March 2026	As at 31st March 2025
Credit facility:		
- Amount used	118,015.36	79,479.15
- Amount unused	-	-

Maturity analysis of assets and liabilities:

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behavior as used for estimating the EIR. Issued debt reflect the contractual coupon amortizations.

Particulars	As at 31st March 2026			As at 31st March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and Cash Equivalents	22,595.16	-	22,595.16	11,257.19	-	11,257.19
Bank Balances other than Cash and Cash Equivalents	9,255.03	-	9,255.03	6,281.08	-	6,281.08
Loans	232,437.26	8,871.38	241,308.64	150,317.60	3,848.59	154,166.19
Investments	-	-	-	1,353.99	-	1,353.99
Other Financial Assets	1,496.63	-	1,496.63	1,594.85	-	1,594.85
Non Financial Assets						
Current Tax Assets (Net)	-	-	-	52.63	-	52.63
Other Non Financial Assets	699.34	-	699.34	607.71	-	607.71
Total Assets	266,483.42	8,871.38	275,354.80	173,465.05	3,848.59	175,313.64
LIABILITIES						
Financial Liabilities						
Trade Payables	510.60	-	510.60	533.33	-	533.33
Debt securities	43,994.93	35,066.67	79,061.60	10,020.76	9,502.27	19,523.03
Borrowings	104,376.51	16,061.61	120,438.12	74,675.29	17,226.61	91,901.90
Other Financial Liabilities	2,019.30	-	2,019.30	2,704.53	-	2,704.53
Non Financial Liabilities						
Provisions	53.28	441.07	494.35	24.68	305.28	329.96
Current tax liability	22.49	-	22.49	-	-	-
Other Non Financial Liabilities	2,646.21	-	2,646.21	1,925.19	-	1,925.19
Total Liabilities	153,623.32	51,569.35	205,192.67	89,883.78	27,034.16	116,917.94

Note: Classification of Loans under the different maturity buckets is based on the due date



iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity disclosed in the below table is attributable to bank overdraft facility availed by the company.

Sensitivity	Impact on profit before tax	
	31st March 2026	31st March 2025
+ 0.5% change in Interest rate	240.23	204.26
- 0.5% change in Interest rate	(240.23)	(204.26)

(b) Currency risk

The company does not have foreign currency transactions

c) Operational Risk:

Operational Risk has been defined as "The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events" The risk of direct or indirect potential loss arising from a wide variety of causes associated with the Company's processes, personnel, systems, or from external factors other than strategic and reputation risk Management of operational risk forms an integral part of Company's enterprise wide risk management systems. The organization strives towards incremental improvements to its operational risk management framework to address the dynamic industry landscape. Clear strategies and oversight by the Board of Directors and senior management, a strong operational risk management culture, effective internal control and reporting and contingency planning are crucial elements of Company's operational risk management framework.

d) Regulatory and Compliance Risk:

Regulatory compliances are handled by Finance team, Treasury and Business teams in consultation with Company Compliance team. Statutory compliances are handled by Company Secretarial team, Administrative and people process related compliances are handled by Administration & HR departments.



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026

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37 Segment Information

The Board of the company takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker.

Information reported to the Company's Director (the Chief Operating Decision Maker (CODM)) for the purposes of resource allocation and assessment of segment performance is focused on the degree of homogeneity of products, services and material businesses. As per management, there are no Segments and Segment Reporting is not applicable.

38 Provisions on Standard Assets

Particulars	Basis of classification	31st March 2026	31st March 2025
ECL provision	Ind 109	615.77	719.57

39 Additional disclosures required by Schedule III**I Analytical Ratios**

The following reflects the ratios and data used in the computation:

Ratio	Numerator	Denominator	Current Year	Previous Year	Variation	Reason above 25%
Capital to risk-weighted assets ratio (CRAR)	54,407.87	179,811.76	30.26%	37.34%	-7.08%	NA
Tier I CRAR	54,407.87	179,811.76	30.26%	37.34%	-7.08%	NA
Tier II CRAR	-	179,811.76	0.00%	0.00%	0.00%	NA
Liquidity Coverage Ratio			NA			

II Details of benami property held

The Company does not hold any benami property and no proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

III Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

IV Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013

V Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

VI Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

VIII Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

IX Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

X Utilization of borrowings availed from banks and financial institutions.

The Company has utilized the borrowing for the purpose it was obtained.

XI The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

- a) 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
- b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

XII The company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall

- a) 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
- b) Provide any guarantee, security or the like to or on behalf of ultimate beneficiaries;

XIII The Company does not have any transactions with the struck off companies during the year ended March 31, 2026.**XIV The Company did not have any investment property during the year. The Company has neither revalued its property, plant and equipment during the current or previous year.****XV The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.**

PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026

(Amounts in INR lakhs, unless otherwise stated)

40 Corporate Social Responsibility	31st March 2026	31st March 2025
(a) Gross amount required to be spent by the Company during the year	24.30	6.47
(b) Excess amount spent in previous financial year carried forward	-	-
(c) Net amount required to be spent by the Company during the year (a-b)	-	-
(d) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	21.80	6.47
(e) Excess/(Shortfall) at the end of the year (d-c)	(2.50)	-
(f) Total of previous years excess/(shortfall)	-	-
(g) Reason for shortfall	Refer Note-1	NA
(h) Nature of CSR activities(Activities as per Schedule-VII)	Refer Note-2	Refer Note-2

Note-1:

The company has created provision of INR 2.50 lakhs in books of accounts and the same will be utilised by 30th September 2026

Note-2:

Current Year: The company has spend INR 10 lakhs on HBT fellowship programme organised for under privliaged childrens and INR 11.80 lakhs on educating the forgotten children

Previous Year: The company has spent INR 6.47 Lakhs on educating the forgotten children



PROGFIN PRIVATE LIMITED

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- 41 Disclosure requirements for NBFCs pursuant to Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025
RBI/DOR/2025-26/359, DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025.

41(i) Loans against gold and silver collateral-Not Applicable

41(ii) Disclosure related to project finance- Not Applicable

41(iii) , Non-Fund Based (NFB) Credit Facilities- Not Applicable

41(iv) Disclosures on Co-Lending Arrangements

a) Quantum of CLAs

Particulars	As at 31st March 2026	As at 31st March 2025
Total Portfolio under Co-lending	6,052.98	36,175.46
Proffin Share in Co Lending	1,240.95	7,269.90
Bank/Partner Share in Portfolio	4,812.03	28,905.55

b) Performance of Loans under CLAs

Particulars	As at 31st March 2026	As at 31st March 2025
Stage 1	1,179.89	6,969.11
Stage 2	11.45	191.03
Stage 3	49.60	109.77
Total	1,240.95	7,269.90

c) Other Details of CLAs

Particulars	For the Year ended 31st March 2026	For the year ended 31 March 2025
Weighted Average Interest Rate	19.04%	19.52%
Fees charged by the company	266.81	631.00
Fees charged by CLA Partner	Nil	Nil
Total no's of co-lending partner	3	2

41(v) Disclosures relating to securitisation

S.No.	Particulars	As at 31st March 2026	As at 31st March 2025
1	No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitisation exposures to be reported here)	13	7
2	Total amount of securitised assets as per books of the SPEs	63,629.15	19,948.36
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	16,312.60	5,493.05
	• Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
	a) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
5	Sale consideration received for the securitised assets and gain / loss on sale on account of securitisation	Sale Consideration: 87,496.39 Gain/Loss: Nil	Sale Consideration: 27,873.75 Gain/Loss: Nil
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-Post-securitisation servicing of receivables -Servicing Amount : 63,629.15 -Credit Enhancement: (a) Cash Collateral : 5,045.10 (b) Equity Tranche: 9,081.55 (c) Over Collateralization: 2,185.95	-Post-securitisation servicing of receivables -Servicing Amount : 19,948.37 -Credit Enhancement: (a) Cash Collateral : 2,021.05 (b) Equity Tranche: 3,472.00 (c) Over Collateralization: 0
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	(a) Amount paid	Credit Enhancement (a) Cash Collateral : 0 (b) Over Collateralization: 0	Credit Enhancement (a) Cash Collateral : 0 (b) Over Collateralization: 0
	(b) Repayment received	Credit Enhancement (a) Cash Collateral : 0 (b) Over Collateralization: 0	Credit Enhancement (a) Cash Collateral : 0 (b) Over Collateralization: 0
	(c) Outstanding amount	Credit Enhancement (a) Cash Collateral : 5,045.10 (b) Equity Tranche: 9,081.55 (c) Over Collateralization: 2,185.95	Credit Enhancement (a) Cash Collateral : 2,021.05 (b) Equity Tranche: 3,472.00 (c) Over Collateralization: 0
8	A default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	0.64%	0.61%
9	Amount and number of additional / top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	NIL	NIL
10	Investor complaints (a) Directly / Indirectly received and; (b) Complaints outstanding	NIL	NIL

41(vi) Disclosure of transfer of loan exposure - Not Applicable

41(vii) Disclosure on restructuring of advances - Not Applicable



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026
(Amounts in INR lakhs, unless otherwise stated)

41(viii) Exposure of Non Banking financial company

A Exposure to real estate sector :-						
The company is not having any exposure to Real estate sector in the current and previous year.						
B Exposure to Capital Market :-						
The company is not having any exposure to Capital market sector in the current and previous year.						
C Sectoral Exposure :-						
		FY 25-26			FY 24-25	
Sectors	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
2.1. Micro and Small	-	-	-	-	-	-
2.2. Medium	-	-	-	-	-	-
2.3. Large	-	-	-	-	-	-
Total of Industry (2)	-	-	-	-	-	-
3. Services						
3.1. Transport Operators	-	-	-	-	-	-
3.2. Trade	-	-	-	-	-	-
3.3. Non-Banking Financial Companies (NBFCs) of which,	-	-	-	-	-	-
3.3.1. Housing Finance Companies (HFCs)	-	-	-	-	-	-
3.3.2. Public Financial Institutions (PFIs)	-	-	-	-	-	-
Total of Services (3)	-	-	-	-	-	-
4. Personal Loans						
4.6. Education	-	-	-	-	-	-
4.8. Loans against gold jewellery	-	-	-	-	-	-
4.10. Others	-	-	-	-	-	-
Total of Personal Loans (4)	-	-	-	-	-	-
5. Others, if any (please specify)						
Loan assets	243,148.50	3,564.48	1.47%	155,443.65	1,830.77	1.18%
Total	243,148.50	3,564.48	1.47%	155,443.65	1,830.77	1.18%

D Intra Group Exposure :-

The company is not having any exposure to inter group companies in the current year and previous year.

E Unhedged foreign currency exposure

The company is not having any foreign currency exposure in the current and previous year.

41(ix) Related Party Disclosures

Refer Note 34 for details



41(x) Disclosure of complaints			
1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman Complaints received by NBFC from its customer			
Sr. no	Particulars	FY 25-26	FY 24-25
1	Number of complaints pending at beginning of the year	22	9
2	Number of complaints received during the year	1240	1115
3	Number of complaints disclosed during the year	1260	1093
3.1	Of which, number of complaints rejected by NBFC	0	9
4	Number of complaints pending at the end of the year	2	22
	Maintainable complaints received by the NBFC from office of ombudsman	-	-
5	Number of maintainable complaints received by NBFC from the office of ombudsman	-	-
	5.1-Of 5, number of complaints resolved in favour of the NBFC by office of ombudsman	-	-
	5.2- Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of ombudsman	-	-
	5.3- Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

2) Top five grounds of complaints received by the NBFCs from customers						
Sr. no	Grounds of complaints (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the py	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
2025-26						
1	Payment- Pool amount transfer	0	0	0.00%	-	-
2	Dispute	1	279	213.48%	2	2
3	Cibil	1	255	304.76%	-	-
4	Disbursal	0	140	7.69%	-	-
5	Payment	14	422	71.54%	-	-
6	Cashback	6	144	-75.47%	-	-
	Total	22	1240	11.21%	2	2
2024-25						
1	Payment- Pool amount transfer	1	0	-100.00%	0	0
2	Dispute	6	89	-50.56%	1	1
3	Cibil	2	63	34.04%	1	1
4	Disbursal	0	130	9.24%	0	0
5	Payment	0	246	65.10%	14	14
6	Cashback	0	587	1265.12%	6	6
	Total	9	1115	27.43%	22	22



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the Year ended 31st March, 2026
(Amounts in lakhs INR, unless otherwise stated)

41(xi) Loans to directors, senior officers and relatives of directors

The company has not provided any loans to directors, senior officers and relatives of directors in the current and previous year.

41(xii) Currency futures

The company has not undertaken any transaction of currency future in the current and previous year

41(xiii) Liquidity
i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	No. of Significant Counterparties	As at 31st March 2026		As at 31st March 2025	
		Amount (See note 14 & 15)	% of total liabilities	Amount (See note 14 & 15)	% of total liabilities
1	Northern Arc Capital-PTC	1,922.93	0.94%	7,660.74	6.55%
2	Mas Financial Services- Term Loan	7,383.33	3.60%	6,375.00	5.45%
3	Kotak Mahindra Investment-Term Loan	3,000.00	1.46%	1,500.00	1.28%
4	Godrej Capital-PTC	5,000.00	2.44%	-	0.00%
5	Yes Bank-WCDL	6,000.00	2.92%	4,000.00	3.42%
6	AU Small Finance Bank-Term Loan	5,250.00	2.56%	5,500.00	4.70%
7	Kotak Mahindra Bank-WCDL	2,000.00	0.97%	999.67	0.86%
8	Kotak Mahindra Bank -Term Loan	-	0.00%	4,000.00	3.42%
9	Mas Financial Services-PTC	-	0.00%	274.42	0.23%
10	Federal Bank-Term Loan	1,222.22	0.60%	333.33	0.29%
11	Federal Bank-WCDL	500.00	0.24%	500.00	0.43%
12	Desiderata Impact Ventures Pvt Ltd-ICD	2,222.76	1.08%	12,222.75	10.45%
13	AK Capital-NCD	9,375.00	4.57%	2,625.00	2.25%
14	Aditya Birla Finance-PTC	6,986.46	3.40%	8,268.75	7.07%
15	DCB Bank-Term Loan	933.33	0.45%	1,757.32	1.50%
16	DCB Bank-WCDL	1,000.00	0.49%	-	0.00%
17	DesiNCD	-	0.00%	5,500.00	4.70%
18	NRE REM Michael & Susan Dell foundation-ECB	1,200.00	0.58%	1,200.00	1.03%
19	GRIP Capital-PTC	-	0.00%	4,106.67	3.51%
20	ICICI Bank-Term Loan	333.33	0.16%	833.33	0.71%
21	IDFC Bank-Term Loan	4,687.50	2.28%	2,300.00	2.14%
22	Kinetsu Season Finance India Pvt Ltd-Term Loan	8,250.00	4.02%	6,250.00	5.35%
23	Nabham-PTC	-	0.00%	3,128.96	2.68%
24	Nabhian Finance-Term Loan	1,500.00	0.73%	3,000.00	2.57%
25	NHO Finance-NCD	-	0.00%	50.00	0.04%
26	Piramal Finance-Term Loan	500.00	0.24%	1,041.67	0.89%
27	RBL Bank-WCDL	-	0.00%	2,500.00	2.14%
28	Shriram Finance-Term Loan	824.69	0.40%	2,000.00	1.71%
29	Suryoday Bank-Term Loan	1,000.00	0.49%	253.49	0.22%
30	Ujjivan Small Finance Bank-WCDL	2,500.00	1.22%	2,500.00	2.14%
31	Utkarsh Small Finance Bank-Term Loan	1,500.00	0.73%	833.33	0.71%
32	Vivriti Asset Management-CP	-	0.00%	2,500.00	2.14%
33	Vivriti Asset Management-NCD	3,700.00	1.80%	7,800.00	6.67%
34	Vivriti Asset Management-Term Loan	4,358.33	2.12%	3,770.83	3.23%
35	Procap Financial Services Pvt Ltd-ICD	200.00	0.10%	200.00	0.17%
36	Bajaj Finance Ltd-WCDL	1,000.00	0.49%	1,000.00	0.86%
37	Blackroil Capital-NCD	5,000.00	2.44%	5,000.00	4.28%
38	Anand Rathi Financial Services-Term Loan	1,333.33	0.65%	-	0.00%
39	Arthos-NCD	10,000.00	4.87%	-	0.00%
40	Bandhan Bank-Term Loan	666.67	0.32%	-	0.00%
41	Bandhan Bank-WCDL	2,000.00	0.97%	-	0.00%
42	Godrej Capital-PTC	3,789.08	1.85%	-	0.00%
43	Hero Fin Corp-Term Loan	3,000.00	1.46%	-	0.00%
44	Incred-NCD	10,000.00	4.87%	-	0.00%
45	ICICI Bank-PTC	3,449.02	1.68%	-	0.00%
46	LKP Securities-CP	2,000.00	0.97%	-	0.00%
47	DCB Bank-PTC	10,309.84	5.02%	-	0.00%
48	DCB Bank-PTC	5,700.69	2.78%	-	0.00%
49	Vivriti Asset Management-PTC	9,508.05	4.63%	-	0.00%
50	NAIF-NCD	1,600.00	0.78%	-	0.00%
51	Godrej Capital-PTC	431.57	0.21%	-	0.00%
52	Poonawala Fincorp-Term Loan	2,303.04	1.12%	-	0.00%
53	Profectus-CP	3,000.00	1.46%	-	0.00%
54	SBM Bank-WCDL	2,000.00	0.97%	-	0.00%
55	Nabhian Finance-PTC	4,604.47	2.24%	-	0.00%
56	MAS Financial Service-PTC	794.31	0.39%	-	0.00%
57	Unifi-NCD	5,000.00	2.44%	-	0.00%
58	Wint Wealth-NCD	29,000.00	14.13%	-	0.00%
59	Kotak Mahindra Bank-Over Draft	823.60	0.40%	-	0.00%
	Total	200,663.59	97.79%	111,985.26	95.78%

(ii) Top 20 large deposits

Not applicable as company has not accepted any deposit in the current and previous year.

(iii) Information in respect of Top 10 borrowings

Particulars	As at 31st March 2026	As at 31st March 2025
Total amount of top 10 borrowings	95,448.09	77,451.45
% of amount of top 10 borrowings to total borrowings **	47.57%	69.16%

**Top 10 counterparties will exclude Listed NCDs issued to online bond platforms & Wealth Firms for retail distribution



(iv) Funding Concentration based on significant instrument/product

Sr. No.	Name of Instrument/ Product	As at 31st March 2026		As at 31st March 2025	
		Amount	% of total borrowings	Amount	% of total borrowings
1	Commercial Papers	5,000.00	2.49%	2,500.00	2.23%
2	Inter Corporate Deposit	2,422.76	1.21%	12,422.75	11.09%
3	Non Convertible Debenture	74,875.00	37.31%	17,175.00	15.34%
4	Pass Through Certificate	52,496.44	26.16%	16,536.12	14.77%
5	Term Loan	48,045.79	23.94%	40,851.39	36.48%
6	Working Capital Demand Loan	17,000.00	8.47%	22,500.00	20.09%
7	Overdraft Facility	823.60	0.41%	-	0.00%
	Total	200,663.59	100%	111,985.26	100%

Note: Top counterparty are arrived excluding interest accrued

(v) Stock ratio

Particulars	As at 31st March 2026	As at 31st March 2025
Commercial paper outstanding as % to total Public funds	2.49%	2.23%
Commercial paper outstanding as % to total assets	1.81%	1.42%
Commercial paper outstanding as % to total liabilities	2.44%	2.14%
Total other short term liabilities* as % to total public funds	74.5%	76.1%
Total other short term liabilities* as % to total assets	54.2%	48.5%
Total other short term liabilities* as % to total liabilities	72.88%	72.9%

* Other short term liabilities comprises of all the borrowings and debt securities maturing within one year from the balance sheet date



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Notes to Financial Statements for the Year ended 31st March, 2026

(Amounts in lakhs INR, unless otherwise stated)

41(xiv) Credit Default Swaps

The company has not undertaken any CDS transaction in the current and previous year, no such transactions during the year.

41(xv)

Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

As at March 31, 2026:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRAC norms	Difference between Ind AS 109 Provisions and IRACP norms
Performing Assets						
Standard	Stage 1	232,147.89	142.33	232,005.56	928.59	-786.26
	Stage 2	7,436.13	473.44	6,962.69	29.74	443.69
Subtotal		239,584.02	615.77	238,968.25	958.34	-342.57
Non- Performing Assets (NPA)						
Substandard	Stage 3	3,564.48	1,224.09	2,340.39	356.45	867.64
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		3,564.48	1,224.09	2,340.39	356.45	867.64
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage 1	232,147.89	142.33	232,005.56	928.59	-786.26
	Stage 2	7,436.13	473.44	6,962.69	29.74	443.69
	Stage 3	3,564.48	1,224.09	2,340.39	356.45	867.64
Total	Total	243,148.50	1,839.86	241,308.64	1,314.78	525.08

As at March 31, 2025:

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRAC norms	Difference between Ind AS 109 Provisions and IRACP norms
Performing Assets						
Standard	Stage 1	147,831.18	180.55	147,650.63	591.52	-410.77
	Stage 2	5,781.70	539.02	5,242.68	23.13	515.89
Subtotal		153,612.88	719.57	152,893.31	614.45	105.12
Non- Performing Assets (NPA)						
Substandard	Stage 3	1,830.77	557.89	1,272.88	183.08	374.81
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,830.77	557.89	1,272.88	183.08	374.81
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage 1	147,831.18	180.55	147,650.63	591.52	-410.77
	Stage 2	5,781.70	539.02	5,242.68	23.13	515.89
	Stage 3	1,830.77	557.89	1,272.88	183.08	374.81
Total	Total	155,443.65	1,277.46	154,166.19	797.53	479.93



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026

(Amounts in INR lakhs, unless otherwise stated)

41(xvi) Summary of significant accounting policies

Refer Note 1 to 3 for details

Capital		
Particulars	Current Year	Previous year
(i) CRAR (%)	30.26%	37.34%
(ii) CRAR – Tier 1 capital (%)	30.26%	37.34%
(iii) CRAR – Tier 2 capital (%)	0.00%	0.00%
(iv) Amount of subordinated debt raised as Tier- 2 capital	Nil	Nil
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

41(xviii) Investments

Refer Note 7 for Details

41(xix) Derivatives

The company has not undertaken any derivative transaction in the current and previous year.

41(xx) Asset liability management (Maturity pattern of certain items of Assets and Liabilities)**Maturity pattern of certain items of assets and liabilities as on 31st March 2026**

	Liabilities		Assets	
	Borrowings (other than debt securities)	Debt Securities	Advances	Investments
1 - 7 Days	3,762.76	300.00	19,143.04	-
8 - 14 Days	6,052.08	-	3,193.63	-
15- 30 Days	14,481.39	1,229.17	22,093.55	-
Over 1 month to 2 months	7,363.69	3,695.83	77,655.56	-
Over 2 months to 3 months	17,136.78	3,295.83	62,603.05	-
Over 3 months to 6 months	23,383.11	3,187.50	32,236.99	-
Over 6 months to 1 year	32,547.16	33,100.00	17,351.30	-
Over 1 year to 3 years	16,061.61	35,066.67	5,783.38	-
Over 3 years to 5 Years	-	-	3,088.00	-
Over 5 years	-	-	-	-
Total	120,788.59	79,875.00	243,148.50	-

Maturity pattern of certain items of assets and liabilities as on 31st March 2025

	Liabilities		Assets	
	Borrowings (other than debt securities)	Debt Securities	Advances	Investments
1 - 7 Days	7,666.08	-	10,282.12	1,353.99
8 - 14 Days	3,955.14	-	3,543.42	-
15- 30 Days	7,860.88	2,562.50	25,446.29	-
Over 1 month to 2 months	8,799.75	62.50	40,247.52	-
Over 2 months to 3 months	14,067.63	262.50	41,256.30	-
Over 3 months to 6 months	19,373.43	387.50	21,407.03	-
Over 6 months to 1 year	13,360.74	6,897.73	9,412.38	-
Over 1 year to 3 years	17,226.61	9,502.27	2,308.64	-
Over 3 years to 5 Years	-	-	1,539.95	-
Over 5 years	-	-	-	-
Total	92,310.26	19,675.00	155,443.65	1,353.99

41(xxi) Details regarding Exposures

	31st March 2026	31st March 2025
a.Details of financing of parent company products	Nil	Nil
b.Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC	Nil	Nil
c. Unsecured loans (Gross outstanding)	243,148.50	155,443.65



PROGEN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026

(Amounts in INR lakhs, unless otherwise stated)

41(xxi) Details of the corporate governance

1.1) Composition of the Board

A) Composition of the Board

Sl. No	Name of Director	Director since	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent)	DIN	Number of Board Meetings Held	No. of other Directorships	Salary and other compensation	Remuneration Sitting Fee Commission	No. of shares held in and convertible instruments held in the NEFC
1	Pallavi Shrivastava (DIN 07677898)	12-Aug-22	Director (Whole Time Director and CEO March 28, 2025)	07677898	6	Progen Financial Services Private Limited Devidasra Impact Ventures Private Limited Progenash Finance Services Private Limited (Struck)	Refer Note 34	NIL	1 Equity share of INR 10 (As a Nominee of DIVPL)
2	Himanshu Chandra (DIN - 07315578)	12-Aug-22	Director	07315578	6	Progen Financial Services Private Limited Devidasra Impact Ventures Private Limited Progenash Finance Services Private Limited (Struck)	NIL	NIL	1 Equity share of INR 10 (As a Nominee of DIVPL)
3	Ashish Kumar Singh (DIN- 02751191)	26-May-25	Independent Director	02751191	6	RMI Energy Solutions India Foundation Pune Knowledge Cluster Foundation	NIL	Refer Note 34	NIL

1.2) Details of change in composition of the Board during the current and previous financial year.

Financial Year 2025-2026 (Current Year)

Sl. No.	Name of Director	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent)	Nature of change (resignation, appointment)	Effective date
1	Pallavi Shrivastava (DIN 07677898)	Whole Time Director	No Change during the year	28-Mar-25
1	Himanshu Chandra (DIN 07315578)	Director	No Change during the year	30-Sep-23
2	Ashish Singh (DIN 02751191)	Additional Independent Director	Independent Director	30-Sep-25

Financial Year 2023-24 (Previous Year)

Sl. No.	Name of Director	Capacity (i.e. Executive/Non-Executive/Chairman/Promoter nominee/Independent)	Nature of change (resignation, appointment)	Effective date
1	Himanshu Chandra (DIN 07315578)	Director	No Change	30-Sep-23
2	Pallavi Shrivastava (DIN 07677898)	Whole Time Director	Change in designation from Director to Whole Time Director	28-Mar-25



1.3) Committees of the Board and their composition

As on March 31, 2026, the Company has constituted the following Committees of the Board in accordance with applicable provisions of the Companies Act, 2013 and RBI Scale-Based Regulations: Committees of the Board and their composition

S. No.	Name of Committees	Name of Director/Member	Member of Committee since	Capacity (Le., Executive/ Non Executive/ Chairman/ Promoter nominees/ Independent)	No. of Meetings Held During the Year	No. of Meetings Attended	No. of shares held in the NBFC
1	Audit Committee (Approved via circulation w.e.f. June 23, 2025)	Ms. Pallavi Shivastava (DIN- 07677898) Mr. Himanshu Chandra (DIN -07315578) Mr. Ashish Kumar Singh (DIN- 02751191)	23-Jun-25 23-Jun-25 23-Jun-25	Whole Time Director & CEO Director Independent Director	4 4 4	4 4 4	1 Equity share of INR 10 (As a Nominee of DIVPL) 1 Equity share of INR 10 (As a Nominee of DIVPL) NIL
2	Risk Management Committee (reconstituted as IRMC) w.e.f. June 01, 2023	Ms. Pallavi Shivastava (DIN- 07677898) Mr. Ajay Kamal Kala Mr. Anam Kanuja	1-Jun-23 27-Dec-24 27-Dec-24	Director Chief Risk Officer (CRO) AVP - Credit (Senior Management)	4 4 4	4 4 4	NIL NIL NIL
3	Asset Liability Management Committee (ALCO) w.e.f. June 14, 2024 (Reconstituted on February 09, 2026)	Ms. Pallavi Shivastava (DIN- 07677898) Mr. Ajay Kamal Kala Mr. Vinod Sindhwani (till Feb 09, 2026) Ms. Purnima Anand Bhatia (w.e.f. Feb 09, 2026)	14-Jun-24 14-Jun-24 14-Jun-24 9-Feb-26	Whole Time Director & CEO Chief Risk Officer VP - Business Finance (Executive) Head - Treasury & Finance	4 4 4 4	4 4 4 0	1 Equity share of INR 10 (As a Nominee of DIVPL) NIL NIL NIL
4	Corporate Social Responsibility (CSR) Committee w.e.f. December 27, 2024	Ms. Pallavi Shivastava (DIN- 07677898) Mr. Himanshu Chandra (DIN -07315578) Mr. Ashish Kumar Singh (DIN- 02751191)	27-Dec-24 27-Dec-24 9-Feb-26	Whole Time Director & CEO Director Independent Director	1 1 1	1 1 0	1 Equity share of INR 10 (As a Nominee of DIVPL) 1 Equity share of INR 10 (As a Nominee of DIVPL) NIL

Note:

The Company is not required to constitute Audit Committee and Nomination and Remuneration Committee as per the provision of Companies Act, 2013 being a private limited company. However, as per the Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025, the Company is required to constitute an Audit Committee and Nomination and Remuneration Committee being Middle Layer NBFC.

As per RBI Directions, constitution of these committee requires a minimum of three directors with independent director forming majority. During the year company has constituted Audit Committee as on June 23, 2025 with 3 directors however independent director is not forming majority in such committee. Also company has not constituted Nomination and remuneration committee during the year. The Company is in the process of appointing another Independent Director to comply with the RBI regulation in this regard.

1.4) General Body Meetings

Details of the date, place and special resolutions passed at the General Body Meetings:

Sr. No.	Type of Meeting (Annual/ Extra-Ordinary)	Date and Place	Special resolutions passed
1	Extra-Ordinary General Meeting (EGM)	August 07, 2025, New Delhi	1. Approval for enhancement of borrowing limit for issuance of debt instruments (including NCDs, CPs, etc.) from INR 500 Crores to
2	Annual General Meeting (AGM)	September 10, 2025, New Delhi	1. Adoption of financial statements for FY 2024-25
3	Extra-Ordinary General Meeting (EGM)	November 07, 2025, New Delhi	1. Approval for increase in Authorized Share Capital from ₹40 Crores to ₹47 Crores and alteration of Memorandum of Association.
4	Extra-Ordinary General Meeting (EGM)	February 20, 2026, New Delhi	1. Enhancement of borrowing powers from ₹1,000 Crores to INR 3,000 Crores.

1.5) Details of non-compliance with requirements of Companies Act, 2013

The Company is in the compliance with the requirements of Companies Act, 2013 including with respect to compliance with accounting and secretarial standards.

1.6) Details of penalties and strictures

There was no imposition of penalties and strictures under any law during the Current FY and Previous FY



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026
(Amounts in INR lakhs, unless otherwise stated)

41(xxiii) Breach of covenant**PAR 0 Breach in Non-Convertible Debentures:**

The Company has received Non-Convertible Debentures (NCDs) from A K Securitization & Credit Opportunities Fund II and A K Capital Finance Limited amounting to INR 1,500 Lakhs each. As per the terms of the respective NCD agreements, the Company is required to maintain PAR 0 below 8%. As on 30 June 2025, PAR 0/GLP stood at 11.5%, resulting in a breach of the stipulated covenant under the said agreements. As of 31st March 2026, the same has been complied with.

41(xxiv) Divergence in Asset Classification and Provisioning

There is no divergence in Asset classification and Provisioning requirement is pointed out in the RBI Inspection conducted during the year

41(xxv) Registration from other financial sector regulators

The Company is not having any registrations and authorisations obtained from any other financial sector regulators.

42(xxvi) Area of Operation

All operations of the company are within India.

42(xxvii) Disclosure of ratings

The company got its rating on January 15, 2026 from ICRA of BBB+/stable (Previous year rating on June 10, 2025 from ICRA of BBB+/stable). The rating has no change during the year.

42(xxviii) Remuneration of Directors

Refer Note 34 for Details

42(xxix) Net Profit or Loss for the period, prior period items and changes in accounting policies

There is no Prior period items and change in accounting policies in the current and previous financial year

42(xxx) Revenue Recognition

There are no cases where revenue recognition has been postponed, pending the resolution of significant uncertainties.

42(xxxi) Provisions and contingencies

Sr. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at 31st March 2026	As at 31st March 2025
i	Provision for depreciation on Investment	-	-
ii	Provision towards NPA (including write off)	2,997.76	2,221.15
iii	Provision made towards Income tax	521.55	476.94
iv	Other Provision and Contingencies (with details)		
	(a) Provision for Gratuity	139.68	105.64
	(b) Provision for Standard Assets	-103.80	232.02

42(xxxii) Draw down from Reserves

Nil

42(xxxiii) Concentration of deposits, advances, exposures and NPAs**a. Concentration of Deposits (for deposit taking NBFCs)**

Not Applicable

b). Concentration of Advances		
Particulars	As at 31st March 2026	As at 31st March 2025
Total Exposure to twenty largest borrowers/customers	12,898.90	10,231.46
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	5.30%	6.58%

c). Concentration of Exposures		
Particulars	As at 31st March 2026	As at 31st March 2025
Total Exposure to twenty largest borrowers/customers	12,914.23	10,243.86
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	5.31%	6.59%

d). Concentration of NPAs		
Particulars	As at 31st March 2026	As at 31st March 2025
Total exposure to top four NPA Accounts	387.45	341.94



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026

(Amounts in INR lakhs, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
41(xxxiv) NPAs Movement(Gross)		
Opening Balance	1,830.77	1,655.43
Addition during the year	6,496.59	3,414.34
Reduction during the year	(4,762.88)	(3,239.00)
Closing Balance	3,564.48	1,830.77
 NPAs Movement(Net)		
Opening Balance	1,272.88	920.01
Addition during the year	3,752.96	1,066.21
Reduction during the year	(2,685.45)	(713.34)
Closing Balance	2,340.39	1,272.88
 Provisions Movement (exl Stanadrd Provisions)		
Opening Balance	557.89	735.42
Provisions made during the year	2,743.63	2,348.13
Write offs against provisions	(2,077.43)	(2,525.66)
Closing Balance	1,224.09	557.89
 41(xxxv) Overseas assets (for those with joint ventures and subsidiaries abroad)		
Nil		
 41(xxxvi) Off-balance sheet SPVs sponsored		
Nil		
 41(xxxvii) Off-balance sheet exposures and structured products		
Nil		
 41(xxxviii) Disclosure on Liquidity Coverage Ratio (LCR)		
Not Applicable		
 41(xxxix) Currency Options		
Nil		



PROFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026
(Amounts in INR lakhs, unless otherwise stated)

42 Schedule to the Balance Sheet

Particulars

Liabilities side :

1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount outstanding 31 March 2026	Amount overdue 31 March 2026	Amount outstanding 31 March 2025	Amount overdue 31 March 2025
(a) Debentures : Secured	75,063.83	-	16,042.79	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	48,190.13	-	41,924.12	-
(d) Inter-corporate loans and borrowing	2,422.76	-	-	-
(e) Commercial Paper	5,000.00	-	12,422.75	-
(f) Other Loans	-	-	2,500.00	-
WCDL & ODFO	17,877.78	-	22,554.85	-
-Pass through certificate	52,645.54	-	16,537.19	-
	201,200.05	-	111,981.70	-

Note: Amounts reported above are excluding unamortized transaction cost.

2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) other public deposits	-	-	-	-

Assets side :

3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	Amount outstanding as at 31 March 2026	Amount outstanding as at 31 March 2025
(a) Secured	-	-
(b) Unsecured	241,308.64	154,166.19
TOTAL		
Loans and advances (net of BCL Provisions) includes Supply Chain Finance & WCDL-TL		

4 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	Amount outstanding as at 31 March 2026	Amount outstanding as at 31 March 2025
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

5 Break-up of Investments :	Amount outstanding as at 31 March 2026	Amount outstanding as at 31 March 2025
Current Investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	1,353.99
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-



6 Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total as on 31 March 2026
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	241,308.64	241,308.64
Total	-	241,308.64	241,308.64

** As per Accounting Standard of ICAI

Loans and advances (net of provisions for Non performing asset) includes Term loans and Working Capital loans.

Category	Amount net of provisions		
	Secured	Unsecured	Total as on 31 March 2025
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	154,166.19	154,166.19
Total	-	154,166.19	154,166.19

** As per Accounting Standard of ICAI

Loans and advances (net of provisions for Non performing asset) includes Term loans and Working Capital loans.

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Amount outstanding as at 31 March 2026		Amount outstanding as at 31 March 2025	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	1,353.99	1,353.99
2. Other than related parties	-	-	-	-
Total	-	-	1,353.99	1,353.99

** As per Accounting Standard of ICAI

8 Other information		Amount as at 31 March 2026	Amount as at 31 March 2025
Particulars			
(i) Gross Non-Performing Assets			
(a) Related parties		-	-
(b) Other than related parties		3,564.48	1,830.77
(ii) Net Non-Performing Assets			
(a) Related parties		-	-
(b) Other than related parties		2,340.39	1,272.88
(iii) Assets acquired in satisfaction of debt		-	-



PROGFIN PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2026
(Amounts in INR lakhs, unless otherwise stated)

43 Commitments and Contingencies

There are no commitments and contingencies during the year.

44 During the year there are no changes in the accounting policies and no prior period items accounted during the year.

45 Events after the Reporting Period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and / or reporting of any of these events and transactions in the financial statements. As on 25th May, 2026, there are no subsequent events to be recognised or reported.

46 Figures in the previous year have been regrouped and correspondingly ratios are changed wherever necessary, in order to make them comparable to current year.

As per our report of even date

For Shiromany Tyagi & Co.
Chartered Accountants
FRN 006117N



Pradeep Tyagi
Partner
Membership No.: 084840
Place: Delhi
Date: 25/05/2026



For and on behalf of the Board of the Directors of
PROGFIN PRIVATE LIMITED



Pallavi Shrivastava
CEO & Whole Time Director
DIN- 07677898
Place: Delhi
Date: 25/05/2026

Himanshu Chandra
Director
DIN- 07315578
Place: Delhi
Date: 25/05/2026



Shikha Maken
Company Secretary
Membership No.: 31478
Place: Delhi
Date: 25/05/2026



SHIROMANY TYAGI & CO.
CHARTERED ACCOUNTANTS

18, Netaji Subhash Marg
Darya Ganj, New Delhi-110002
Ph: 43542741, 9818866546,
9999075599
Email.: stacons18@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PROGFIN PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Proffin Private Limited** (the "Company"), which comprise the Balance sheet as at 31st March, 2026, 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 material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

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") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and its profit including other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (the "ICAI") 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 audit opinion on the Financial Statements.

Emphasis of Matter

Attention is drawn to Note no. 41(xxii)(1.3) regarding non-formation of Nomination and Remuneration Committee and composition of Audit Committee as required under Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 and related matter thereon.



Our opinion is not modified in respect of the aforesaid matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended 31st March, 2026. 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.

Key Audit Matter	How the matter was addressed in our audit
Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans and advances to customers (Refer Note 2.4(e) for material accounting policy and Note 36(i) for Credit risk disclosures)	
As at 31st March, 2026, the Company has reported gross loan assets of Rs. 2,43,148.50 Lakhs against which an impairment loss of Rs. 1,839.86 Lakhs has been recorded. The Company recognised impairment provision for loan assets based on Expected Credit Loss ("ECL") approach laid down under 'Ind AS - 109 - Financial Instruments'. Impairment loss allowance of loans and advances ("Impairment loss allowance") is a Key Audit Matter as the Company has significant credit risk exposure considering the large loan portfolio. The value of loans and advances on the balance sheet is significant and there is a high degree of complexity and judgment involved in estimating individual and collective credit impairment provisions, write-offs against these loans and to additionally determine the asset quality and provision of the Company. The Company's model to calculate Expected Credit Loss ("ECL") are made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macro-economic parameters. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial results. The selection of variables was made	Our audit included assessing the appropriateness of management's judgment and estimates used in the impairment analysis through procedures that included, but were not limited to, the following: • Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions. • Assessed whether the impairment methodology used by the Company is in accordance with the assumptions and methodology approved by the Board of Directors of the Company which is based on and in compliance with Ind AS 109 "Financial Instruments". • Obtained an understanding of the internal control environment related to Impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. • Assessed the critical assumptions and input data used in the estimation of Expected Credit Loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD).

purely based on business sense. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions. Given the inherent judgmental nature and the complexity of model involved, we determined this to be a Key Audit Matter.	• Evaluated the reasonableness of the judgement involved in management overlays that form part of the impairment provision, and the related approvals. • Performed test of details over calculation of ECL, in relation to the completeness and accuracy of the data. • Evaluated the adequacy of presentation and disclosures in relation to impairment loss allowance in the Financial Statements. For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regard along with its compliance on sample basis.
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Information other than the Financial Statements and Auditor's 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 Board's Report including specific Annexures to Board's Report and other company related information, but does not include the Financial Statements and our Auditor's Report thereon which are 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 other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of the 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) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, RBI Guidelines and other



accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

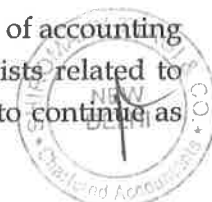
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements 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



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.

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 year 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.

Other Matter

The Financial Statements of the company for the year ended 31st March, 2025 were audited by predecessor auditor of the company, where they had expressed, an unmodified opinion vide their report dated 5th August, 2025 on such Financial Statements.

Our opinion is not modified in respect of aforesaid matter.

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, and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable 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 it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive Income), the Statement of change in Equity and the 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 specified in section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. 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) The Company is a private limited company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- 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 and as represented by the management:
- (i) The Company doesn't have any impact of pending litigations as at 31st March, 2026 on its financial position in its Financial Statements.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company for the year ended 31st March, 2026.
- (iv) (a) The management has represented to us that, to the best of its knowledge and belief, no funds 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to 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 also represented to us, to the best of its knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to 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 our 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 Company has not declared or paid any dividend during the current year, hence compliance under section 123 of the Companies Act, 2013 is not applicable to the Company.

(vi) Based on our examination which included test checks, the company has used an 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 respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Shiromany Tyagi & Co.

Chartered Accountants

Firm's Registration Number: 006117N



Pradeep Tyagi

Partner

Membership No. 084840

UDIN: 26084840ANSRJX3397

Place: New Delhi

Date: 25th May 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PROGFIN PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2026.

(Referred to in paragraph 1 under the heading of "Report on other legal and regulatory requirements" section of our report of even date)

i) In respect of its Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

(B) The Company does not have any Intangible Assets. Accordingly, reporting under clause 3(i)(a)(B) of the order is not applicable to Company.

b) As explained to us, Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and the records examined by us, the company does not own any immovable properties. Accordingly, reporting under clause 3(i)(c) of the order is not applicable to the Company.

d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not revalued its Property, Plant and Equipment during the year. Accordingly, reporting under clause 3(i)(d) of the order is not applicable to the Company.

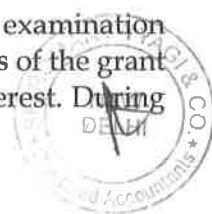
e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) a) The Company is a Non-Banking Finance Company and its business does not require maintenance of inventories. Accordingly, reporting under clause 3(ii)(a) of the order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and/ or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks and/ or financial institutions are in agreement with the books of account of the Company.

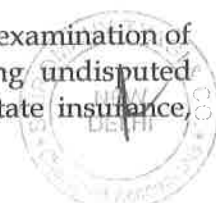
iii) a) The Company's principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the investments made and the terms and conditions of the grant of all loans during the year are, prima facie, not prejudicial to the Company's interest. During



the year, Company has not given any loans & advances in the nature of loans (other than those provided in normal course of business), provided guarantees, or given security.

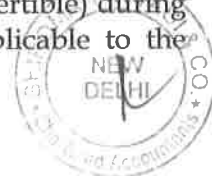
- c) The Company, being a Non-Banking Financial Company ("NBFC"), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/ Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest are not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note - 41(xv) to the Financial Statements for summarized details of such loans/advances which are not repaid by borrowers as per stipulations.
 - d) In respect of the aforesaid loans, Rs. 3,564.48 Lakhs is overdue for more than ninety days (Refer Note 41(xv) to the Financial Statements) which is excluding the amounts of debts written off. We have been informed that the Company has taken all reasonable steps, including legal actions to recover the principal and the interest, as the case may be.
 - e) The Company's principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the order is not applicable to the Company.
 - f) According to the information and explanation given to us and books of accounts and records examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under clause 3(iii)(f) of the order is not applicable to the Company.
- iv) According to the information and explanations given to us, there are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. Investments made in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder apply. During the year, company has transferred security deposit received in previous year from dealers/distributors as performance security in respect of retailer funding arrangement to Holding Company in terms of arrangement made with dealers/distributors & such security deposits, in opinion of management are not covered under the definition of deposits as per RBI directives and provisions of the Act which is being relied upon by us (Refer note-16 to the Financial Statements). We have been informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi) In our opinion and according to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under clause 148(1) of the Act. Accordingly, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, 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 to the appropriate authorities.

There are no undisputed amounts payable in respect of these statutory dues were outstanding as of 31st March, 2026 for period of more than six months from the date they become payable.

- b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Accordingly, reporting clause 3 (viii) of the order is not applicable to the company.
- ix) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in payment of interest thereon to any lenders during the year.
- b) In our opinion, and according to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that Company do not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.
- f) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company do not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(f) of order is not applicable to the Company.
- x) a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not raised moneys by way of initial public offer or further public offer during the year. The Company has raised money by way of Privately Placed Non-Convertible Debentures during the year and in our opinion and according to the explanations given to us the money raised by way of Privately Placed Non-Convertible Debentures were applied for the purposes for which they were raised.
- b) According to information and explanations given to us and on the basis of our examination of the records 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. Accordingly, reporting under clause 3(x)(b) of the order is not applicable to the Company.



- xi) a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company or on the Company has been noticed or reported during the year. Accordingly, reporting under clause 3(xi)(a) of the order is not applicable to the Company.
- b) No report under sub-section 12 of section 143 of the Act has been filed by Secretarial Auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report. Accordingly, reporting under clause 3(xi)(b) of the order is not applicable to the Company.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year. Accordingly, reporting under clause 3(xi)(c) of the order is not applicable to the Company.
- xii) In our opinion company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Accordingly, the reporting under clause 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act where applicable, for all transactions with the related parties and detail of such related party transactions have been disclosed in the Financial Statements, as required by the applicable Indian Accounting Standards.
- xiv) a) In our opinion and according to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the company issued till date of our audit report, for the period under audit, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, reporting under clause 3(xv) of the order is not applicable to the Company.
- xvi) a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration as Non-Banking Financial Company.
- b) According to information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activity without obtaining a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(b) of the order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the order is not applicable to the Company.
- d) Reporting as under clause 3(xvi)(d) of the order is not applicable to the Company.
- xvii) The Company has not incurred cash losses in the current financial year and in the preceding financial year. Accordingly, reporting under clause 3(xvii) of the order is not applicable to the Company.



- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable to the Company.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in the notes to the Financial statements which describe the maturity analysis of assets & liabilities, 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 the 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) According to the information and explanation given to us, in respect of other than ongoing projects for CSR activities, the Company has not transferred the amount remaining unspent to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.
- (b) According to the information and explanation given to us, there are no ongoing projects for CSR activities. Accordingly, reporting under clause 3(xx)(b) of the order is not applicable to the Company.

For Shiromany Tyagi & Co.

Chartered Accountants

Firm's Registration Number: 006117N



Pradeep Tyagi

Partner

Membership No. 084840

UDIN: 26084840ANSRJX3397

Place: New Delhi

Date: 25th May 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF PROGFIN PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2026

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements 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 **Progfin Private Limited** ("the Company") as of 31st March, 2026 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 Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements 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 ("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 the 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 Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements, both issued by the ICAI. 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 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 auditor's 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31st March, 2026, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Shiromany Tyagi & Co.

Chartered Accountants

Firm's Registration Number: 006117N



Pradeep Tyagi

Partner

Membership No. 084840

UDIN: 26084840ANSRJX3397

Place: New Delhi

Date: 25th May 2026

August 13, 2026

To,
BSE Limited
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001

Scrip Code: 977140, 977160, 977210, 977259, 977509, 977518, 977705

ISIN: INE0MYJ07112, INE0MYJ07120, INE0MYJ07138, INE0MYJ07146, INE0MYJ07161,
INE0MYJ07179, INE0MYJ07187

Subject: Outcome of the Board Meeting held on August 13, 2026 pursuant to Regulation 51 read with other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (as amended)

Dear Madam/Sir,

Pursuant to Regulations 51, 52 and 54 read with Part B of Schedule III of the SEBI Listing Regulations, 2015, as amended, read with relevant circulars issued by the Securities and Exchange Board of India, the Board of Directors of the Company at its meeting held today i.e. **August 13, 2026**, has inter-alia, considered and approved the following matters :

1. Un-audited Financial Results for the quarter ended June 30, 2026, along with the Limited Review Report thereon, enclosed as **Annexure-A**.
2. Review and approval of Insider Trading Code of the Company.

Additionally, please find enclosed the following:

1. Additional disclosures in accordance with Regulation 52(4) of the SEBI Listing Regulations, 2015 as **Annexure B**;
2. Security Cover Certificate pursuant to Regulation 54 of the Listing Regulations read with SEBI Master Circular No. SEBI/HO/DDHS-PoD-1/P/CIR/2025/117 dated August 13, 2025, as amended from time to time as **Annexure C**;
3. The Company has not issued Non-Convertible Debentures during the quarter ended June 30, 2026, and does not have any pending utilization of the funds issued through non-convertible debt securities earlier.

A statement indicating the utilization of proceeds of listed Non-Convertible Debentures and a confirmation of no deviation/variation in utilization of issue proceeds in terms of Regulation 52(7) and 52(7A) respectively of the SEBI Listing Regulations; as **Annexure D**; and

4. Insider Trading Code of the Company (i.e. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company) as **Annexure E**.

The Board meeting commenced at 06:06 P.M. and concluded at 07:30 P.M.

The above results are also being made available on the company's website i.e. www.progfin.com and will also be published in the newspaper in accordance with regulation 52(8) of the SEBI Listing Regulations.

You are requested to kindly take the same on your records.

Thanking You,

Yours sincerely,
For **Progfin Private Limited**

PALLAVI
SHRIVASTAVA

Digitally signed by PALLAVI
SHRIVASTAVA
Date: 2026.08.13 19:40:38
+05'30'

(Pallavi Srivastava)
Whole-time Director & CEO
DIN: 07677898

Enclosed: As Above



SHIROMANY TYAGI & CO.
CHARTERED ACCOUNTANTS

18, Netaji Subhash Marg
Darya Ganj, New Delhi-110002
Ph: 43542741, 9818866546,
9999075599
Email.: staconsml8@gmail.com

**Independent Auditor's Review Report on Unaudited Financial Results for the
Quarter ended June 30, 2026 of the Progfin Private Limited**

To
The Board of Directors
Progfin Private Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Progfin Private Limited (the "NBFC") for the quarter ended 30-06-2026 ("the Statement"), being submitted by the NBFC pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), including relevant circulars issued by the SEBI from time to time.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the NBFC, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time applicable to NBFC ("RBI Guidelines"), other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Ind AS

and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning, to the NBFC, and other related matters.

5. Other Matter:

- a.) The figures for the quarter ended 31st March, 2026 as reported in these Unaudited Financial Results are the balancing figures between audited figures in respect of the full previous financial year ended on March 31, 2026, and published reviewed year to date figures up to the third quarter of the previous financial year ended December 31, 2025 which were reviewed by us.
- b.) The Statement includes comparative figures for quarter ended 30-06-2025 which was reviewed by the predecessor auditor of the company, where they had expressed an unmodified conclusion on unaudited financial results vide their reports dated 30-09-2025.

Our opinion is not modified in respect of above matter.

For Shiromany Tyagi & Co.
Chartered Accountants
FRN No.: 006117N

PRADEE Digitally signed by
PRADEEP TYAGI
P TYAGI Date: 2026.08.13
19:45:54 +05'30'

Pradeep Tyagi
Partner
Membership No: 084840
UDIN: 26084840MKGMRY6399

Place: New Delhi
Date: 13-08-2026

PROGFIN PRIVATE LIMITED CIN: U67120DL1992PTC425089 Registered Address: 1st Floor, Tower A, C-3, Qutab Institutional Area, Katwaria Sarai, Hauz Khas, New Delhi, India, 110020					
Statement of Unaudited Financial Results for the quarter ended 30th June, 2026 (₹ in Lakhs)					
	Particulars	Quarter ended 30th June, 2026	Preceding quarter ended 31st March, 2026	Corresponding quarter ended 30th June, 2025	For the year ended 31st March, 2026
		Unaudited	Audited (Refer Note. 7)	Unaudited	Audited
1	Income				
	a) Revenue from operations	10,092.70	9,787.43	7,827.35	35,893.06
	b) Other income	374.27	369.93	157.02	1,646.69
	Total Income	10,466.97	10,157.36	7,984.37	37,539.75
2	Expenses				
	Finance costs	5,003.93	5,215.37	3,543.16	18,617.65
	Fees and Commission Expenses	875.26	834.05	626.18	2,999.92
	Employee Benefit Expenses	2,392.55	2,096.44	2,098.67	9,145.64
	Depreciation and amortization	10.83	10.44	12.48	46.79
	Impairment and Write Offs	706.86	744.96	824.15	2,893.96
	Other expenses	794.05	401.74	605.34	1,962.94
	Total expenses	9,783.48	9,303.00	7,709.98	35,666.90
3	Profit before exceptional item and tax (1-2)	683.49	854.36	274.39	1,872.85
4	Exceptional item	-	-	-	-
5	Profit before tax (3-4)	683.49	854.36	274.39	1,872.85
6	Tax expense				
	a) Current tax	235.63	56.02	104.69	502.36
	b) Deferred tax (credit) / charge	(59.12)	169.99	(20.45)	27.08
	c) Tax adjustments relating to earlier years	-	-	-	(7.89)
	Total Tax expense	176.51	226.01	84.24	521.55
7	Profit for the period (5-6)	506.98	628.35	190.15	1,351.30
8	Other comprehensive income (OCI)				
	(A) Items that will not be reclassified to profit or loss:				
	(i) Re-measurement gains / (losses) on defined benefit plans	-	(13.23)	-	(13.23)
	(ii) Tax adjustment on above	-	3.33	-	3.33
	Other comprehensive income/(loss) for the period / year, net of taxes	-	(9.90)	-	(9.90)
9	Total Comprehensive Income (7+8)	506.98	618.45	190.15	1,341.40
10	Paid-up equity share capital (Face value per share ₹ 10)	4,277.16	4,277.16	3,742.40	4,277.16
11	Other Equity	67,067.40	66,435.42	55,506.58	66,435.42
12	Earnings per equity share of ₹ 10 each - (not annualised)- in ₹				
	Basic	1.19	1.52	0.54	3.50
	Diluted	1.19	1.52	0.54	3.50

For and on behalf of board of the
PROGFIN PRIVATE LIMITED

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SHRIVASTAVA
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 PALLAVI SHRIVASTAVA
 Date: 2026.08.13
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Pallavi Shrivastava
 CEO & Whole Time Director
 DIN- 07677898

Place - Delhi
 Date - 13/08/2026

Disclosures required under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30th June, 2026

S.No	Particulars	Quarter ended 30th June, 2026	Quarter ended 31st March, 2026	For the year ended 31st March, 2026	Quarter ended 30th June, 2025
1	Debt-Equity Ratio {Debt securities+ Borrowings (other than debt securities) +Deposits +Subordinated debts}/Total Equity	2.20		2.82	2.01
2	Outstanding redeemable preference shares (quantity and value)	Nil		Nil	Nil
3	Debenture Redemption Reserve	Not Applicable		Not Applicable	Not Applicable
4	Capital Redemption Reserve	Nil		Nil	Nil
5	Net Worth (Rs in Lakhs) (Equity share capital + Other equity]	71,344.56		70,712.58	59,248.98
6	Total debts to total assets ratio {Debt securities+Borrowings (other than debt securities)+Deposits+Subordinated debts} / Total Assets	0.67		0.72	0.65
7	Net profit margin [Profit after tax / Total Income]	4.84%	6.19%	3.60%	2.40%
8	Sector specific equivalent ratio, as applicable				
a)	Gross Stage III loan assets % {Gross Stage III loan assets / Gross loan assets}	2.28%		1.47%	2.10%
b)	Net Stage III loan assets % {(Gross Stage III loan assets - Expected credit loss provision for Stage III loan assets)/ (Gross loan assets- Expected Credit Loss for Stage III loans)}	1.52%		0.97%	1.40%
c)	Capital Adequacy Ratio (As per RBI Guidelines)	34.61%		30.26%	35.85%
d)	Provision Coverage Ratio (Expected credit loss provision for Stage III loan assets/ Gross Stage III loan assets)	33.63%		34.34%	27.81%

Note: Debt service coverage ratio, interest service coverage ratio, current ratio, long term debt to working capital, bad debts to accounts receivable ratio, current liability ratio, debtors turnover, inventory turnover and operating margin ratio are not relevant as the company is engaged in financing activities.

NOTES TO THE FINANCIAL RESULTS

1. The above unaudited financial results have been prepared considering the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). These results have been reviewed by the Audit Committee of the Board of directors and approved by the Board of directors at its meeting held on 13th August, 2026.
2. The above unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ('RBI Guidelines') and other accounting principles generally accepted in India. The statutory auditor of the Company has carried out limited review of these unaudited results.
3. All the secured non-convertible debentures (NCD) of the Company are fully secured by hypothecation of book debts/ loan receivables to the extent as stated in the respective information memorandum. The Company has, at all times, for the secured NCDs, maintained sufficient asset cover as stated in the respective information memorandum towards the principal amount, interest accrued thereon, and such other sums as mentioned therein.
4. The Company operates mainly in the business of financing and accordingly there are no separate reportable operating segments as per Ind AS 108 - "Operating Segments".
5. The information pursuant to regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are given in **Annexure – I**.
6. Disclosures pertaining to RBI Direction – RBI/DOR/2025-26/359, DOR.ACC.REC.No. 278/21.04.018/2025-26 - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated 28th November, 2025 as amended:
 - (i) Read with RBI Direction - RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048/2025-26, 'Master Direction – Reserve Bank of India (Non-Banking Financial Companies – Transfer and Distribution of Credit Risk) Directions, 2025' dated 28th November, 2025:

(a) Disclosure of Transfer of Loan:

The company has not transferred or acquired any loans not in default / stressed loans to / from other entities during the quarter ended 30th June, 2026.

(b) Disclosure of Co-Lending Arrangements:

a) Quantum CLAs

(Rs. in Lakhs)

Particulars	As at 30th June, 2026
Total Portfolio under Co-lending	4324.71
Progfin Share in Co Lending	864.94
Bank/Partner Share in Portfolio	3459.77

b) Performance of Loans under CLAs

Particulars	As at 30th June, 2026
Stage 1	822.28
Stage 2	24.88
Stage 3	17.78
Total	864.94

c) Other Details of CLAs

Particulars	For the quarter ended 30th June, 2026
Weighted Average Interest Rate	16.01%
Fees charged by the company	39.57
Fees charged by CLA Partner	nil
Total number of co-lending partner	3

- (ii) Read with RBI/DOR/2025-26/357 DOR.STR.REC.276/21.04.048/2025-26, Reserve Bank of India (Non-Banking Financial Companies – Resolution of Stressed Assets) Directions, 2025 and RBI/DOR/2025-26/347 DOR.STR.REC.266/21.01.008/2025-26, Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 dated 28th November, 2025 as amended:

The Company has not lent any funds during the quarter ended 30th June, 2026 for project finance activities nor has any recoverable balance as at the same date.

7. The figures for the quarter ended 31st March, 2026 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to nine months of relevant financial year, which were subject to limited review by the auditors.

8. Figures for the previous period/year have been regrouped/reclassified wherever necessary, to confirm to current period/year classification.

For and on behalf of the Board of Directors

Proffin Private Limited

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SHRIVASTAVA

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Pallavi Shrivastava

CEO & Whole Time Director

DIN: 07677898

Date: 13-08-2026

Place: New Delhi