

# Manubhai & Shah LLP

Chartered Accountants

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF FINANCIAL INFORMATION

TO THE BOARD OF DIRECTORS OF  
Prayas Financial Service Private Limited

1. **Introduction:**

We have reviewed the accompanying Financial Results of Prayas Financial Service Private Limited ("the Company") for the quarter and half year ended September 30, 2023 (hereinafter referred as "Interim Financial Information"), being submitted by the Company for inclusion in the consolidated financial results of the Holding Company i.e. Ananya Finance for Inclusive Growth Private Limited. Management is responsible for the preparation and fair presentation of this financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on these interim financial information based on our review.

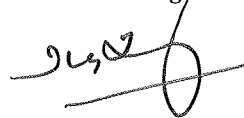
2. **Scope:**

We conducted our review of the financial information in accordance with the Standard on Review Engagements (SRE) 2410 issued by the Institute of Chartered Accountants of India, which applies to a review of historical interim financial information performed by the independent auditor of the Company. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information are free of material misstatement. A review of 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.

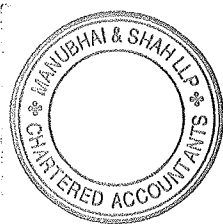
3. **Conclusion:**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, its results of operations for quarter and half year ended September 30, 2023 in accordance with applicable Indian accounting standards and other recognized accounting practices and policies.

For Manubhai & Shah LLP  
Chartered Accountants  
ICAI Firm Registration No. 106041W/W100136



(J. D. Shah)  
Partner  
Membership No. 100116  
UDIN: 23100116BGWKEN3095



Date: November 4, 2023  
Place: Ahmedabad

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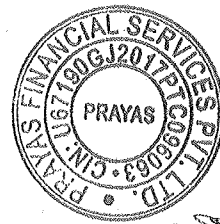
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Prayas Financial Services Private Limited  
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CIN : U67190GJ2017PTC096063

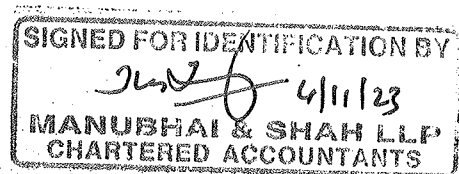
Statement of Unaudited Financial Results For the Quarter And Half Year Ended September 30, 2023

(Rs. In Lakhs)

S. No.	Particulars	Standalone					
		Three Months Ended			Half Year Ended		Year Ended
		30th September 2023(Unaudited)	30th June 2023 (Unaudited)	30th September 2022(Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	March 31, 2023 (Audited)
I	Revenue:						
	Revenue from Operations						
	Interest Income	193.48	155.21	96.50	348.69	181.01	430.07
	Fees and Commission Income	362.02	226.05	151.19	588.07	270.33	723.52
	Net gain on derecognition of financial instruments under amortised cost category						48.93
	Total Revenue from operations	555.50	381.26	247.69	936.76	451.34	1,202.52
	Other Income	0.30	0.18	0.83	0.48	1.38	1.67
	Total Income	555.80	381.44	248.52	937.24	452.72	1,204.19
ii	Expenses						
	Finance Costs	48.68	51.00	50.23	99.68	101.43	216.47
	Fees and Commission Expenses	1.20	1.72	-	2.92	-	1.44
	Impairment/(Reversal of Impairment) on financial instruments	2.36	12.37	10.73	14.73	(41.08)	(44.26)
	Employee Benefits Expenses	307.88	222.33	143.96	530.21	265.01	579.53
	Depreciation, amortization and impairment	12.78	11.37	3.47	24.15	6.53	22.28
	Other expenses	169.23	96.38	88.14	265.61	152.73	405.86
	Total Expenses	542.13	395.17	296.53	937.30	484.62	1,181.32
III	Profit/(Loss) before tax (I-II)	13.67	(13.73)	(48.01)	(0.06)	(31.90)	22.87
IV	Tax Expense:						
a	Current Tax						
b	Deferred Tax	15.73	(11.63)	0.92	4.10	(40.75)	(37.56)
c	Adjustment of Earlier Year Tax			7.01		7.01	7.01
	Total Tax Expense	15.73	(11.63)	7.93	4.10	(33.74)	(30.55)
V	Profit/(Loss) for the period (III-IV)	(2.06)	(2.10)	(55.94)	(4.16)	1.84	53.42
VI	Other Comprehensive Income						
A.	Items that will not be reclassified to profit or loss						
a	Items that will not be reclassified to profit or loss	1.16	-	(1.08)	1.16	0.08	1.21
b	Income tax relating to items that will not be reclassified to profit or loss	(0.29)	-	-	(0.29)	-	-
	Subtotal (A)	0.87	-	(1.08)	0.87	0.08	1.21
B.	Items that will be reclassified to profit or loss						
a	Items that will be reclassified to profit or loss	-	-	-	-	-	-
b	Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-	-
	Other Comprehensive Income/(Loss)	0.87	-	(1.08)	0.87	0.08	1.21
VII	Total Comprehensive Income/(Loss) for the period (V+VI)	(1.19)	(2.10)	(57.02)	(3.29)	1.92	54.63
VIII	Earnings per equity share (Face value Rs. 10/- per equity share)						
a	Basic (Rs.) (Not Annualized)	(0.01)	(0.01)	(0.30)	(0.02)	0.01	0.32
b	Diluted (Rs.) (Not Annualized)	(0.01)	(0.01)	(0.30)	(0.02)	0.01	0.32



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**Prayas Financial Services Private Limited**

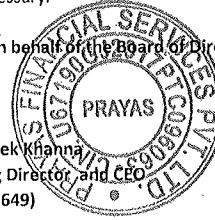
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CIN : U67190GJ2017PTC096063

**Notes to Unaudited Financial Results for the Quarter and Half Year ended September 30, 2023.**

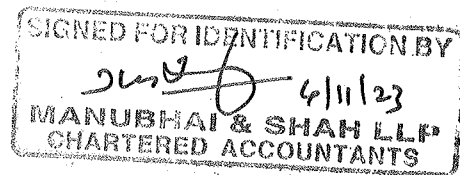
- 1 The company is a Non-banking Financial Company – Micro Finance Institution (NBFC-MFI), registered with the Reserve Bank of India vide Reg.No. B.01.00617 dated February 6, 2020.
- 2 The above financial results of the Company (the "Statement") have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on November 04, 2023 and have been subjected to Limited review by the statutory auditors of the Company on which the auditors have expressed an unmodified opinion.
- 3 During the Quarter ended September 30, 2023, the Company has issued 47,25,000 equity share on preferential allotment basis under section 42 of The Companies Act, 2013, to Ananya finance for Inclusive Growth Private Limited (AFIGPL). As a result of this, AFIGPL has legal and beneficial ownership of 1,52,25,000 equity shares representing 64.36% of holding in the Company.
- 4 The Standalone financial results has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 5 The Company is engaged primarily in the business of financing and all its operations are in India only. Accordingly, there is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
- 6 Earning per share (EPS) for the quarter ended September 30, 2023, June 30, 2023, and September 30, 2022, and for the half year ended September 30, 2023 and September 30, 2022 are not annualised.
- 7 Previous year's/period's figures have been regrouped / reclassified wherever necessary.

For and on behalf of the Board of Directors

Mr. Abhisek Khanna  
Managing Director, and CEO  
(DIN 9680649)



Place : Gurugram  
Date : Novemeber 04, 2023



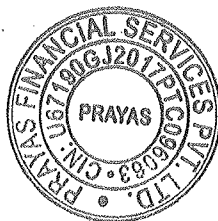
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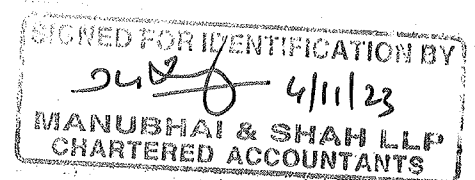
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Statement of Unaudited Financial Results For the Quarter And Half Year Ended September 30 ,2023

		(Rs. in Lakhs)	
S. No.	Particulars	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
	<b>ASSETS</b>		
[1]	<b>Financial Assets</b>		
	(a) Cash and cash equivalents	56.28	1,219.94
	(b) Bank Balance other than (a) above	76.26	73.59
	(c) Loans	3,288.74	1,750.60
	(d) Investments	-	-
	(e) Other Financial assets	276.02	292.46
		<b>3,697.31</b>	<b>3,336.59</b>
[2]	<b>Non-financial Assets</b>		
	(a) Current tax assets (Net)	56.88	36.74
	(b) Deferred tax Assets (Net)	62.79	67.18
	(c) Property, Plant and Equipment	111.07	50.19
	(d) Intangible assets under development	-	-
	(e) Other Intangible assets	-	-
	(f) Right of Use Asset	192.03	203.78
	(g) Other non-financial assets	6.92	3.04
		<b>429.68</b>	<b>360.93</b>
	<b>Total Assets</b>	<b>4,126.99</b>	<b>3,697.52</b>
	<b>LIABILITIES AND EQUITY</b>		
	<b>LIABILITIES</b>		
[1]	<b>Financial Liabilities</b>		
	(a) Payables		
	(i) Trade Payables	-	-
	(ii) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	29.82	22.05
	(b) Lease Obligation	198.07	202.03
	(c) Debt Securities	667.00	667.00
	(d) Borrowings (Other than Debt Securities)	469.80	675.80
	(e) Other financial liabilities	171.25	137.30
		<b>1,535.94</b>	<b>1,704.18</b>
[2]	<b>Non-Financial Liabilities</b>		
	(a) Provisions	41.16	20.99
	(b) Other non-financial liabilities	37.33	23.50
		<b>78.49</b>	<b>44.49</b>
[3]	<b>EQUITY</b>		
	(a) Equity Share capital	2,365.37	1,892.87
	(b) Other Equity	147.19	55.98
	<b>Total Equity</b>	<b>2,512.56</b>	<b>1,948.85</b>
	<b>Total Liabilities and Equity</b>	<b>4,126.99</b>	<b>3,697.52</b>



*Abhinav*



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**Statement of Unaudited Financial Results For the Quarter And Half Year Ended September 30 ,2023**

(Rs. in Lakhs)

Particulars	For the half year ended 30th September 30, 2023
A) Cash flows from operating activities	
Net Profit before tax	(0.06)
Adjustments For:	
Depreciation and amortisation	24.15
Loss on Disposal of Intangible Asset	-
Impairment of Financial Instruments	14.73
Net Gain on derecognition of financial instruments on Direct Assignments	-
Impairment of Loans and Advances	-
Interest on Lease Liabilities	-
Interest on Security Deposit	-
Interest Income on Loans	(344.90)
Interest income received on loans	321.83
Remeasurement Gain / (Loss) on Defined Benefit Plans	-
Provision for Employee benefit expenses	21.33
Interest income on Fixed Deposits	(3.60)
Interest on Unwinding of Security Deposit	(0.19)
Finance Cost	99.68
Finance Cost Paid	(78.26)
Operating cash flows before working capital changes	54.71
	-
(Increase) / decrease in Loans	-
(Increase) / decrease in Fixed deposits	12.75
(Increase) / decrease in other assets	7.76
(Increase) / Decrease in Trade Payables	47.79
Increase in other liabilities and provisions	123.00
Cash generated from operations	(20.14)
Income taxes paid/(Refund received)	102.87
Cash generated from operating activities after tax paid	(1529.81)
Loan Repayment / (Disbursement) (Net)	(1426.95)
Net cash (used in)/generated from operating activities (A)	-
B) Cash flows from investing activities	
Purchase of Property, Plant, Equipment	(73.28)
Interest received on Fixed Deposit and Other Investments	0.70
Bank deposit/Margin money pledged	-
Bank deposit/Margin money released	0.23
Net cash (used in)/generated from investing activities (B)	(72.35)
C) Cash flows from financing activities	
Proceeds from issue of Share Capital (Net of Expenses)	567
Proceeds from Borrowings (Net)	-
Proceeds from issue of Debt Securities	-
Repayment of Debt Securities	-
Proceeds from Other Borrowings	-
Repayment of Other Borrowings	(213.59)
Repayment of Lease Liability(including interest on lease liability)	(17.78)
Net cash generated from financing activities (C)	335.63
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1163.66)
Cash and cash equivalents at the beginning of the Year	1219.94
Cash and cash equivalents at the end of the Year	56.28

