

March 09, 2026

Progfin Private Limited: Provisional [ICRA]A1+(SO) assigned to Series A1 PTC to be issued by Tetrax 02 2026

Summary of rating action

Trust name	Instrument*	Current rated amount (Rs. crore)	Rating action
Tetrax 02 2026	Series A1 PTC	46.04	Provisional [ICRA]A1+(SO); assigned

*Instrument details are provided in Annexure I

Rating in the absence of pending actions/documents	No rating would have been assigned as it would not be meaningful
--	--

Rationale

The pass-through certificates (PTCs) are backed by a pool of invoice financing receivables originated by Progfin Private Limited {Progfin/Originator; rated [ICRA]BBB+ (Stable)/[ICRA]A2} with an aggregate principal outstanding of Rs. 53.54 crore (pool receivables of Rs. 55.28 crore). Progfin would be acting as the servicer for the transaction.

The provisional rating is based on the strength of the cash flows from the selected pool of contracts, the eligibility criteria for the follow-on pools, the credit enhancement available in the structure as well as the integrity of the legal structure. The rating is subject to the fulfilment of all the conditions under the structure and ICRA's review of the documentation pertaining to the transaction.

Transaction structure

As per the transaction structure, the tenure of the pool shall be divided into two periods – replenishment period and amortisation period.

The replenishment period will be for 180 days from the transaction commencement date. During this period, all collections from the pool, post payment of the Series A1 PTC interest, shall be used by the trust to purchase additional receivables from the Originator as per the replenishment period waterfall for the month of the pool. These additional receivables shall meet the same eligibility criteria as applicable for the receivables that were a part of the underlying pool at the initiation of the transaction.

The transaction also entails certain trigger events for early amortisation. A breach of any of these trigger events would lead to the end of the replenishment period and the start of the amortisation period. If a trigger event occurs at any time during the replenishment period, then the tenure of the PTCs shall be reduced and be co-terminus with the remaining tenure of the pool of receivables assigned to the trust.

Amortisation period

After the replenishment period, the residual pool collections will be utilised to repay Series A1 PTC. The monthly cash flow schedule will comprise the promised interest payout for Series A1 PTC. The principal for Series A1 PTC is expected to be paid on a monthly basis (100% of the pool principal billed) but is promised on the final maturity date. Any surplus excess interest spread (EIS), after meeting the promised and expected payouts, will flow back to the Originator on a monthly basis. Any prepayment in the pool would be used for the prepayment of the Series A1 PTC principal.

The credit enhancement available in the structure is in the form of (i) a cash collateral (CC) of 5.00% of the aggregate amount, i.e. Rs. 2.68 crore, to be provided by the Originator, (ii) principal subordination of 14.00% of the initial pool principal for Series A1 PTC in the form of an equity tranche and (iii) the entire EIS in the structure.

Key eligibility criteria for the receivables

The receivables, comprising the initial receivables and each instance of follow-on receivables, shall be identified on the basis of

the criteria specified below:

- The obligors should meet the minimum holding period (MHP) criteria as prescribed by the Securitisation Directions;
- Minimum bureau score should be 710 at the time of origination;
- Anchor rating should not be lower than BBB;
- Obligor should have Nil days past due (dpd) in last 12 months;
- Obligor should have repaid at least three invoices historically;
- Maximum outstanding amount for each invoice should not be more than Rs. 25 lakh;
- Top borrower concentration to be capped at 4%, top 10 at 33% and top 30 at 55%;
- Obligor should not belong to an industry segment which has portfolio at risk 90 (PAR 90) of more than 4.00% (to be only tested for the follow-on receivables pool).

Key trigger events for early amortisation

The occurrence of any of the following key triggers will lead to the end of the amortisation period:

- Downgrade in the rating of the PTCs by the rating agency;
- Occurrence of a servicer's event of default as specified in the servicing agreement;
- More than 5% of the receivables comprising the assigned assets (as defined in the transaction documents) are overdue for more than 15 days commencing from their respective due date (including any respective cure periods (as specified in the relevant underlying documents));
- Failure to provide any instance of the follow-on receivables that comply with the eligibility criteria set out below such that the new/follow-on receivables provided are less than 80% of the accumulated amounts on any payout date;
- Capital adequacy ratio of the seller falls below 20% (twenty percent).

Key rating drivers and their description

Credit strengths

Granular pool supported by presence of credit enhancement – The current pool is granular and, basis the eligibility criteria, the follow-on pools are also expected to be granular with no obligor exceeding 4.0% of the pool principal, thereby reducing the exposure to any single borrower. Further, the credit enhancement available in the form of the CC, subordination and EIS would absorb some of the losses in the pool and provide support in meeting the PTC payouts.

Adequate servicing capability of originator – The Originator has sufficient processes for servicing the loan accounts in the securitised pool. It has an adequate track record of nearly three years of regular collections across multiple geographies.

Credit challenges

Moderate pool selection criteria – A potential concern pertaining to a replenishing structure is the uncertainty regarding the exact composition of the additional receivables. While the current transaction has specified eligibility criteria, the follow-on pools may have lower interest rate contracts, contracts from weaker geographies and a moderate share of lower bureau score

contracts. The higher presence of lower interest rate contracts would adversely impact the EIS, which acts as credit enhancement in the structure.

Risks associated with lending business – The performance of the initial and follow-on pools would remain exposed to macroeconomic shocks, business disruptions and natural calamities that may impact the income-generating capability of the borrowers and their ability to make timely repayments of their loans. Both the initial and the follow-on pools are exposed to the inherent credit risk associated with the unsecured nature of the asset class and the fact that recoveries from delinquent contracts tend to be lower.

Key rating assumptions

ICRA’s cash flow modelling for rating securitisation transactions involves the simulation of potential losses, delinquencies and prepayments in the pool. The losses and prepayments are assumed to follow a log-normal distribution. The assumptions for the losses and the coefficient of variation are considered based on the values observed from the analysis of the past performance of the Originator’s loan portfolio as well as the characteristics of the specific pool being evaluated. However, since the pool in the current transaction would be revised during the replenishment period, its characteristics would change unlike other PTC transactions where the pool is static. ICRA has used the defined eligibility criteria to arrive at a potential loss for the follow-on pools. The resulting collections from the current pool and the follow-on pools, after incorporating the impact of the losses and prepayments, are accounted for in ICRA’s cash flow model, in accordance with the cash flow waterfall of the transaction.

For the current transaction, ICRA has estimated the shortfall in the pool principal collection during its tenure at 6.00% of the initial pool principal with certain variability around it. The average prepayment rate for the underlying pool is modelled in the range of 4.80% to 18.00% per annum. Various possible scenarios have been simulated at stressed loss levels and prepayment rates and the incidences of default to the investor as well as the extent of losses are measured after factoring in the credit enhancement to arrive at the final rating for the instrument.

Liquidity position: Strong

The liquidity for Series A1 PTC is strong after factoring in the credit enhancement available to meet the promised payout to the investor. The total credit enhancement would be ~3.25 times the estimated loss in the pool.

Rating sensitivities

Positive factors – Not applicable

Negative factors – The rating could be downgraded on the occurrence of a trigger event, non-adherence to the key transaction terms and deterioration in the performance of the follow-on pools such that the delinquencies during the amortisation period are higher than expected. Weakening in the credit profile of the servicer (Progfin) could also exert pressure on the rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Securitisation Transactions
Parent/group Support	Not Applicable
Consolidation/standalone	Not Applicable

The rating action is based on the analysis of the performance of Progfin’s portfolio till December 2025, the key characteristics and composition of the current pool, the eligibility criteria for follow-on pools, the performance expected over the balance tenure of the pools, and the credit enhancement cover available in the transaction.

Pending actions/documents required to be completed for conversion of the provisional rating into final

The assigned rating is provisional and would be converted into final upon the execution of:

1. Trust deed
2. Assignment agreement
3. Power of attorney
4. Legal opinion
5. Trustee letter
6. Other key or important documents executed for the transaction

Validity of the provisional rating

The trust is expected to complete the pending actions/execute the pending documents in the near term. However, in case of continued pendency of the actions/documents beyond one year of this publication, the provisional rating would be withdrawn for the transaction even if the instrument has been issued.

Risks associated with the provisional rating

In case the issuance is completed, but the pending actions/documents are not completed for the transaction within one year (validity period) from the assignment of the rating, the provisional rating will be withdrawn in accordance with ICRA's Policy on Provisional Ratings available at www.icra.in.

About the originator

Progcap was founded by Ms. Pallavi Shrivastava and Mr. Himanshu Chandra under Desiderata Impact Ventures Pvt. Ltd (DIV) in FY2017 as a digital lending platform for engagement between retailers/distributors and financiers. In September 2022, DIV acquired Hytone Holdings Pvt Ltd, renaming it Progfin Private Limited, and commenced lending operations in October 2022, sourcing borrowers through the Progcap platform. Progfin is a wholly-owned subsidiary of DIV. It provides anchor-led supply chain financing and working capital term loans across multiple industries, including two-wheelers, agri inputs, white goods, FMCGs and emerging brands.

On a standalone basis, Progfin reported a profit after tax (PAT) of Rs. 12 crore on total income of Rs. 258 crore in FY2025 compared to Rs. 3 crore and Rs. 109 crore, respectively, in FY2024. The PAT for the quarter ended September 30, 2025 stood at ~Rs. 4 crore on total income of Rs. 168 crore. The AUM stood at Rs. 2,119 crore as on September 30, 2025, comprising dealer financing (70%) and working capital term loans (30%).

Key financial indicators (audited)

Progfin Private Limited (standalone)	FY2024	FY2025	H1 FY2026
	Audited	Audited	Prov.
Total income	109	258	168
Profit after tax	3	12	4
Total managed assets	1,215	2,060	2,515
CRAR*	45.2%	40.3%	34.9%
GNPA/Gross stage 3*	1.5%	1.1%	1.6%

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; * CRAR and asset quality indicators pertain to Progfin; Total managed assets = Total assets + Impairment loss allowance on gross loans + Off-balance sheet advances

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

Rating history for past three years

Trust name	Instrument	Current rating(FY2026)		Chronology of rating history for the past 3 years					
		Amount rated (Rs crore)	March 09, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Tetrix 02 2026	Series A1 PTC	46.04	Provisional [ICRA]A1+(SO); Assigned	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Series A1 PTC	Highly Complex

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

Trust name	Instrument type	Date of issuance/ Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current rated amount (Rs. crore)	Current rating
Tetrix 02 2026	Series A1 PTC	February 27, 2026	10.70%	February 19, 2027	46.04	Provisional [ICRA]A1+(SO)

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not applicable

ANALYST CONTACTS

Manushree Saggur

+91 124 4545 316

manushrees@icraindia.com

Gaurav Mashalkar

+91 22 6114 3431

gaurav.mashalkar@icraindia.com

Akanksha Khanna

+91 124 4545 852

akanksha.khanna@icraindia.com

Sachin Joglekar

+91 22 6114 3470

sachin.joglekar@icraindia.com

Abhishek Jena

+91 22 6114 3420

abhishek.jena@icraindia.com

RELATIONSHIP CONTACT

L Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

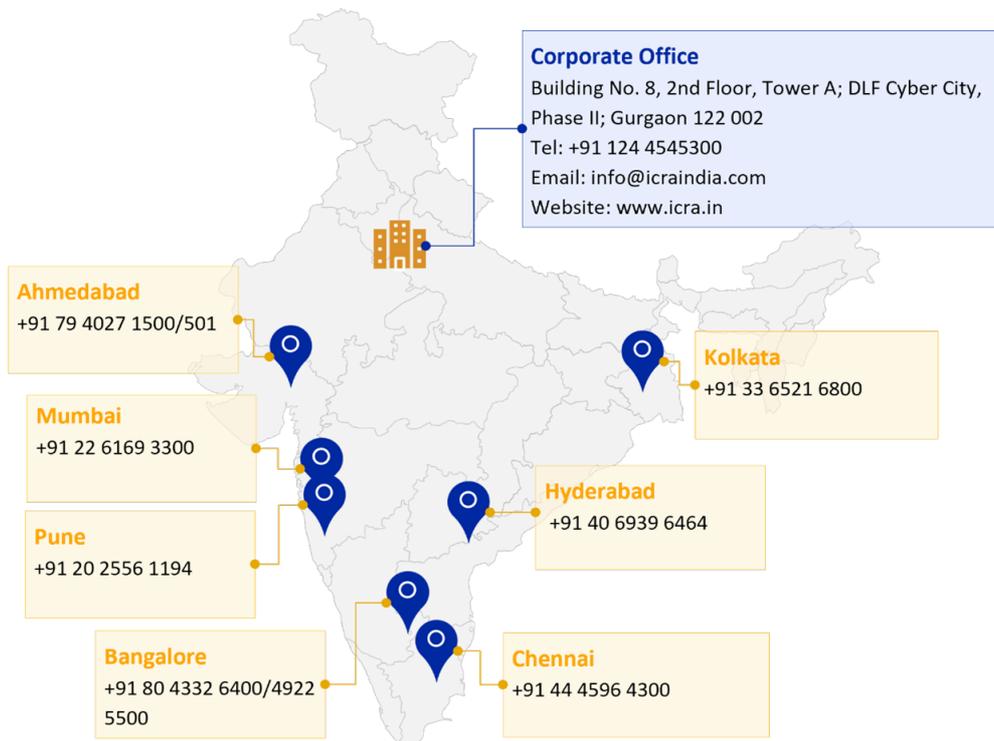


Registered Office

B-710, Statesman House 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45



Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.