

# Walker Chandiook & Co LLP

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## Independent Auditor's Review Report on Half-Yearly Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Arohan Financial Services Limited (Formerly Arohan Financial Services Private Limited)

1. We have reviewed the accompanying statement of unaudited financial results of **Arohan Financial Services Limited (Formerly Arohan Financial Services Private Limited)** ("the Company") for the half year ended 30 September 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 accounting standards, prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circulars CIR/IMD/DF1/9/2015 dated 27 November 2015 and CIR/IMD/DF1/69/2016 dated 10 August 2016, and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 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 the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

**For Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013



**Anamitra Das**

Partner

Membership No. 062191



**Place:** Gurgaon

**Date:** 12 November 2018

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Arohan Financial Services Limited (Formerly Arohan Financial Services Private Limited)			
Statement of Unaudited Financial Results for the Half-year ended 30 September 2018			
(₹ in lakhs)			
Particulars	Half-year ended		Year Ended
	30 September 2018 Unaudited	30 September 2017 Unaudited	31 March 2018 Audited
<b>1 Revenue</b>			
(a) Revenue from operations	27,267	12,644	32,169
(b) Other income	197	311	533
<b>Total revenue</b>	<b>27,464</b>	<b>12,955</b>	<b>32,702</b>
<b>2 Expenses</b>			
(a) Employee benefit expense	5,403	2,882	6,916
(b) Finance costs	10,840	5,162	12,357
(c) Depreciation expenses	199	105	305
(d) Provisions and write offs	2,324	1,549	4,855
(e) Other expenses	3,068	1,444	3,726
<b>Total Expenses</b>	<b>21,834</b>	<b>11,142</b>	<b>28,160</b>
<b>3 Profit from ordinary activities before tax (1-2)</b>	<b>5,630</b>	<b>1,813</b>	<b>4,542</b>
<b>4 Tax Expenses</b>			
(a) Current tax expense	1,822	1,110	2,026
(b) Tax expense/(reversal) for earlier periods	(106)	(12)	(10)
(c) Deferred tax credit	(40)	(439)	(441)
<b>5 Net Profit from ordinary activities after tax (3-4)</b>	<b>3,954</b>	<b>1,154</b>	<b>2,967</b>
6 Paid-up equity share capital (Face value of ₹ 10 each)	8,830	8,232	8,822
7 Reserves excluding Revaluation Reserves (As per balance sheet of previous accounting year)	-	-	29,222
<b>8 Earning per share (not annualised)</b>			
(a) Basic (In INR)	4.44	1.39	3.35
(b) Diluted (In INR)	4.44	1.39	3.35

**Balance Sheet as at 30 September 2018**

(₹ in lakhs)		
Particulars	As at	As at
	30 September 2018 Unaudited	31 March 2018 Audited
<b>A Equity and liabilities</b>		
<b>1 Shareholders Funds</b>		
(a) Share capital	8,830	8,822
(b) Reserves and surplus	33,215	29,222
<b>Sub-total - Shareholders funds</b>	<b>42,045</b>	<b>38,044</b>
<b>2 Non-current liabilities</b>		
(a) Long-term borrowings	1,14,525	90,625
(b) Other long-term liabilities	722	383
(c) Long-term provisions	2,550	2,871
<b>Sub-total - Non-current liabilities</b>	<b>1,17,797</b>	<b>93,879</b>
<b>3 Current liabilities</b>		
(a) Short-term borrowings	18,476	23,417
(b) Trade payables	-	-
Payable to micro, small and medium enterprises	-	-
Others	-	-
(c) Other current liabilities	1,11,317	80,157
(d) Short-term provisions	1,077	105
<b>Sub-total - Current liabilities</b>	<b>1,30,870</b>	<b>1,03,679</b>
<b>TOTAL- EQUITY AND LIABILITIES</b>	<b>2,90,712</b>	<b>2,35,602</b>
<b>B Assets</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment - tangible assets	633	499
(b) Intangible assets	517	534
(c) Intangible assets under development	48	-
(d) Non-current investments	5	5
(e) Deferred tax assets (net)	826	785
(f) Loan to customers	56,072	45,231
(g) Long-term loans and advances	686	91
(h) Other non-current assets	5,717	4,924
<b>Sub-total - Non-current assets</b>	<b>64,504</b>	<b>52,069</b>
<b>2 Current assets</b>		
(a) Current investments	-	2
(b) Cash and bank balances	8,995	17,790
(c) Loan to customers	2,11,664	1,60,524
(d) Short-term loans and advances	1,576	1,294
(e) Other current assets	3,973	3,923
<b>Sub-total - Current assets</b>	<b>2,26,208</b>	<b>1,83,533</b>
<b>TOTAL- ASSETS</b>	<b>2,90,712</b>	<b>2,35,602</b>



**Arohan Financial Services Limited**  
(Formerly Arohan Financial Services Private Limited)

**Notes:**

- 1 The unaudited financial result have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its meeting held on 12 November 2018.
- 2 The Statutory Auditors have carried out limited review of the unaudited financial results as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have issued an unqualified report thereon.
- 3 The Company is primarily engaged in the business of micro-finance in India and its business activities consists of a single segment in terms of Accounting Standard 17 'Segment Reporting'.
- 4 The unaudited results for the half-year ended 30 September 2017 does not include the results of operations of Intellectash Microfinance Network Company Private Limited which has merged with the Company with effect from 1 April 2017 (vide NCLT order dated 9 March 2018). Accordingly, the unaudited financial results for the half-year ended 30 September 2018 are not comparable with that of the previous reporting period.
- 5 Previous year/period figures have been regrouped and rearranged to confirm to current year's presentation wherever considered necessary.

By order of the Board  
For Arohan Financial Services Limited

**Manoj Kumar Nambiar**  
Managing Director

Place: Kolkata  
Date: 12 November, 2018

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