

Independent Auditor's Report on Quarterly Financial Results and Year to Date Financial Results 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

Report on the Audit of Financial Results

Opinion

We have audited the accompanying annual financial results of Arohan Financial Services Limited (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2022 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) is presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and

(ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Results 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

MSKA & Associates

Chartered Accountants

Board of Directors' Responsibilities for the Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The Board of Directors of the Company are responsible for 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 Statement.

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 Statement, 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 the Board of Directors.

MSKA & Associates

Chartered Accountants

- Conclude on the appropriateness of the Board of Directors 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 ability of the Company to continue as a 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors 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.

Other Matters

- a. The Statement include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us. Our Opinion is not modified in respect of the above matter.
- b. The Statement includes the financial results for the corresponding quarter ended March 31, 2021 and the year to date results for the period from April 01, 2020 to March 31, 2021 which was audited by another auditors whose report dated June 04, 2021 expressed an unmodified opinion on those financial results. Our opinion on the Statement is not modified in respect of this matter.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

Tushar Kurani

Partner

Membership No. 118580

UDIN: 22118580AITSAI2174

Place: Kolkata

Date: May 11, 2022

Arohan Financial Services Limited
Statement of audited financial results for quarter and year ended 31 March 2022

Particulars	(₹ in lakhs)				
	Quarter ended			Year ended	
	31 March 2022 (Audited)	31 December 2021 (Unaudited)	31 March 2021 (Audited)	31 March 2022 (Audited)	31 March 2021 (Audited)
1 Revenue					
(a) Interest income	20,918.97	21,654.79	21,365.09	85,872.70	94,582.42
(b) Dividend income	-	3.50	-	3.50	-
(c) Fees and commission income	1,081.22	1,198.39	1,115.43	4,172.35	2,324.54
(d) Net gain on derecognition of financial instruments	-	-	1,565.00	-	1,565.00
(e) Others	24.81	42.98	52.93	124.02	147.25
Total revenue from operations	22,025.00	22,899.66	24,098.45	90,172.57	98,619.21
(f) Other income	184.37	309.38	778.34	1,870.03	2,748.31
Total revenue	22,209.37	23,209.04	24,876.79	92,042.60	1,01,367.52
2 Expenses					
(a) Finance costs	8,975.22	9,706.46	11,082.22	40,176.34	46,798.67
(b) Impairment on financial instruments	2,966.98	3,835.16	17,765.24	13,566.80	50,386.29
(c) Employee benefits expenses	5,179.27	5,315.53	4,659.81	21,039.10	18,897.61
(d) Depreciation and amortization expenses	135.15	146.68	159.39	586.07	668.52
(e) Other expenses	2,963.71	1,894.93	1,977.82	8,380.19	6,395.76
Total expenses	20,220.33	20,898.76	35,644.48	83,748.50	1,23,146.85
3 Profit/ (loss) before tax (1-2)	1,989.04	2,310.28	(10,767.69)	8,294.10	(21,779.33)
4 Tax expense					
(a) Current tax	8.93	(1,265.86)	970.71	8.93	6,213.95
(b) Deferred tax charge/ (credit)	533.19	1,924.17	(3,933.36)	2,178.62	(12,006.77)
(c) Tax expense for earlier years	11.52	-	8.43	11.52	8.43
5 Net Profit/ (loss) after tax (3-4)	1,435.40	1,651.97	(7,813.47)	6,095.03	(15,994.94)
6 Other Comprehensive Income					
(a) Items that will not be reclassified to profit or loss					
(i) Remeasurement of post employment benefit obligations	214.27	(148.82)	81.55	(223.42)	(166.14)
(ii) Remeasurement of equity instruments through other comprehensive income	1.68	3.32	-	5.00	-
(iii) Income tax relating to items that will not be reclassified to profit or loss	(53.92)	36.62	(20.53)	55.40	41.81
(b) Items that will be reclassified to profit or loss					
(i) Fair valuation of financial assets	-	-	(7.33)	-	(1,389.86)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	(27.48)	-	320.52
Total Other Comprehensive Income (a+b)	162.03	(108.88)	26.21	(163.02)	(1,193.67)
Total Comprehensive Income for the period/ year (5+6)	1,597.43	1,543.09	(7,787.26)	5,932.01	(17,188.61)
7 Paid-up equity share capital (Face value of ₹ 10 each)	12,017.73	12,017.73	12,017.73	12,017.73	12,017.73
8 Earning per equity share (not annualised)					
(a) Basic (In ₹)	1.19	1.41	(7.11)	5.07	(14.56)
(b) Diluted (In ₹)	1.19	1.41	(7.11)	5.05	(14.56)

Arohan Financial Services Limited

Statement of audited financial results for the year ended 31 March 2022

Balance Sheet

(₹ in lakhs)

Particulars		As at 31 March 2022 (Audited)	As at 31 March 2021 (Audited)
A	ASSETS		
1	Financial assets		
	(a) Cash and cash equivalents	95,362.92	1,15,801.75
	(b) Other bank balances	35,372.38	19,249.42
	(c) Trade receivables	200.59	113.67
	(d) Loans	3,71,019.93	3,92,590.53
	(e) Investments	5.00	-
	(f) Other financial assets	547.14	1,051.46
	Total financial assets	5,02,507.96	5,28,806.83
2	Non-financial assets		
	(a) Current tax assets (net)	4,820.31	635.96
	(b) Deferred tax assets (net)	13,773.52	15,896.74
	(c) Property, plant and equipment	400.71	502.28
	(d) Intangible assets under development	45.04	52.55
	(e) Other intangible assets	269.47	385.46
	(f) Right of use asset	393.43	506.76
	(g) Other non-financial assets	711.69	1,332.10
	Total non-financial assets	20,414.17	19,311.85
	TOTAL ASSETS	5,22,922.13	5,48,118.68
B	LIABILITIES AND EQUITY		
	Liabilities		
1	Financial liabilities		
	(a) Payables		
	(I) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	(II) Other payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	(b) Debt securities	28,338.42	1,00,735.92
	(c) Borrowings (other than debt securities)	3,41,078.35	3,19,775.64
	(d) Subordinated liabilities	43,309.37	21,008.31
	(e) Others financial liabilities	3,675.95	6,701.39
	Total financial liabilities	4,16,402.09	4,48,221.26
2	Non-financial liabilities		
	(a) Provisions	2,099.70	1,788.51
	(b) Other non-financial liabilities	2,072.25	2,245.38
	Total non-financial liabilities	4,171.95	4,033.89
	Equity		
	(a) Equity share capital	12,017.73	12,017.73
	(b) Other equity	90,330.36	83,845.80
	Total equity	1,02,348.09	95,863.53
	TOTAL LIABILITIES AND EQUITY	5,22,922.13	5,48,118.68

Arohan Financial Services Limited
Statement of audited financial results for the year ended 31 March 2022
Cash Flow Statement

(₹ in lakhs)

Particulars	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
(A) Cash flows from operating activities		
Profit/ (loss) before tax	8,294.10	(21,779.33)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization	586.07	668.52
Interest on lease liability	53.09	71.35
Impairment on financial instruments	13,566.80	50,386.29
Adjustment of loan to ESOP trust	(24.31)	-
Interest income on unwinding of assigned portfolio	(352.92)	(3,094.19)
Expense on employee stock option scheme	454.69	334.54
Effective interest rate adjustment for financial instruments	(2,310.11)	2,618.82
Unwinding impact on security deposit	0.34	0.06
Operating profit before working capital changes	20,267.75	29,206.06
Working capital adjustments		
<u>(Increase)/ decrease in assets</u>		
Loans	8,003.80	(9,647.58)
Trade receivables	(86.92)	386.59
Other bank balances	(16,122.96)	(4,083.83)
Other financial assets	862.65	4,203.40
Other non-financial assets	614.67	(525.40)
<u>Increase/ (decrease) in liabilities</u>		
Others financial liabilities	(2,911.19)	(2,110.84)
Provisions	87.77	199.42
Other non-financial liabilities	(173.13)	236.68
Cash generated from operating activities	10,542.44	17,864.50
Income taxes paid (net of refunds)	(4,204.80)	(6,491.93)
Net cash generated from operating activities (A)	6,337.64	11,372.57
(B) Cash flows from investing activities		
Purchase of property, plant and equipment	(97.76)	(136.30)
Purchase of intangible assets and intangible assets under development	(76.68)	(109.55)
Proceeds from sale of property, plant and equipment	2.63	34.47
Proceeds from sale of intangible assets	-	9.73
Net cash used in investing activities (B)	(171.81)	(201.65)
(C) Cash flows from financing activities		
Proceeds from issue of equity shares including premium	122.17	16,813.29
Share issue expenses	-	(358.73)
Proceeds from debt securities	-	97,197.11
Repayment of debt securities	(69,977.67)	-
Proceeds from borrowings (other than debt securities)	4,67,025.59	4,16,449.73
Repayment of borrowings (other than debt securities)	(4,45,766.13)	(4,94,057.02)
Proceeds from subordinated liabilities	22,234.60	-
Payment of lease liabilities	(243.22)	(271.86)
Net cash generated/ (used in) financing activities (C)	(26,604.66)	35,772.52
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(20,438.83)	46,943.44
Cash and cash equivalents as at the beginning of the year	1,15,801.75	68,858.31
Cash and cash equivalents as at the end of the year	95,362.92	1,15,801.75
Components of cash and cash equivalents:		
Cash on hand	55.57	171.55
Balances and deposits with banks	95,307.35	1,15,630.20
Cash and cash equivalents considered for cash flow	95,362.92	1,15,801.75

Arohan Financial Services Limited

Notes:-

- The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Arohan Financial Services Limited ('the Company') at their meetings held on May 10, 2022 and May 11, 2022 respectively.
- The audited financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 and Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- The above financial results for quarter ended March 31, 2022, December 31, 2021 and year ended March 31, 2022 have been reviewed/ audited by M S K A & Associates, Chartered Accountants, on which they had issued unmodified conclusion/ opinion. The financial results for the year ended March 31, 2021 were audited by Walker Chandiook & Co LLP, Chartered Accountants, on which they had issued unmodified conclusion/ opinion.
- During FY2021, the Covid-19 pandemic resulted in a nation-wide lockdown in April-May 2020 which substantially impacted economic activity. Regulatory measures like moratorium on payment of dues and standstill in asset classification were implemented to mitigate the economic consequences on borrowers. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy from the second half of FY2021. During FY2022, the second wave of the Covid-19 pandemic in April-May 2021 led to the re-imposition of localised/ regional lockdown measures in various parts of the country. The lock-down measures were lifted gradually, as the second wave subsided from June 2021 onwards. The impact of the outbreak of third wave of Covid-19 has been mild. However, it led to re-imposition of some localised/ regional restrictive measures in the country.
While there has been significant progress in vaccination programme and the impact of the third wave of Covid-19 in India has been mild, the impact, including with respect to credit quality and provisions, of the Covid-19 pandemic on the Company's result will depend on the trajectory of the pandemic, effectiveness of the vaccinations, the effectiveness of current and future steps taken by the government and central bank to mitigate the economic impact.
The Company has recognized provisions as on 31 March 2022 towards its loan assets, based on the information available at this point of time, in accordance with the expected credit loss method. The Company believes that it has considered all the possible impact of the known events arising out of COVID-19 pandemic in the preparation of these audited financial results. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic condition.
- RBI vide circular dated November 12, 2021 – "Prudential Norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances – Clarifications" has clarified certain aspects of the extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across the lending institutions. However RBI vide circular dated February 15, 2022 has allowed NBFC's to implement the same by September 30, 2022. The Company has taken steps to comply with the norms / changes for regulatory reporting, as applicable. Such clarification has no significant impact on the financial results for the quarter and year ended March 31, 2022 as the Company continues to prepare the financial results in accordance with the applicable Ind AS guidelines and the RBI circular dated March 13, 2020 – "Implementation of Indian Accounting Standards".
- During the year, to relieve COVID-19 pandemic related stress, the Company has invoked and implemented resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021.

Disclosures pursuant to RBI's notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 Resolution Framework 1.0 and RBI/2021-22/31/DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 Resolution Framework 2.0

(₹ in lakhs)

Type of borrower	A	B	C	D	E
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. September 30, 2021 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. March 31, 2022
Personal Loans	-	-	-	-	-
Corporate persons (*)	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others (**)	1,50,252.30	3,494.88	1.39	32,596.74	1,14,159.29
Total	1,50,252.30	3,494.88	1.39	32,596.74	1,14,159.29

(*) As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(**) represents microfinance loans to customer

Under Covid Resolution 1.0 and 2.0, 6,48,491 and 5,42,934 number of borrower accounts respectively were sanctioned for modification and implemented whose aggregate exposure as on March 31, 2022 is ₹16,350.98 lakhs and ₹1,11,682.65 lakhs respectively.

Under covid resolution 1.0, 336 number of MSME borrower accounts were sanction for modification and implemented whose aggregate exposure as on March 31, 2022 is ₹2,083.03 lakhs.

- Disclosures pursuant to Master Direction — Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

Particulars	During the year ended 31 March 2022
Details of loans not in default that are transferred or acquired	-
Details of Stressed loans transferred or acquired	-

- The Company is primarily engaged in the business of financing - a single business segment in terms of Ind AS108 "Operating segments"; consistent with the internal reporting provided to the Chief Operating Decision Maker.
- As per Regulation 54(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), all secured non convertible debentures ("NCDs") issued by the Company are secured by way of an exclusive charge on identified receivables to the extent of at least 100% of outstanding secured NCDs and pursuant to the terms of respective information memorandum.
- The figures for the quarter ended March 31, 2022 and March 31, 2021 are the balancing figures between audited figures in respect of the year ended March 31, 2022 and March 31, 2021 and the reviewed figures for the nine month ended December 31, 2021 and December 31, 2020 respectively.
- Information as required by Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is attached as Annexure 1.
- Previous quarter/ year ended figures have been regrouped / rearranged wherever necessary, to conform with the current quarter/ year.

By order of the Board
For Arohan Financial Services Limited

Manoj Kumar Nambiar
Managing Director
DIN: 03172919

Place: Kolkata
Date: 11 May 2022

Registered Office: PTI Building, DP Block, DP-9, 4th Floor, Sector - V, Salt Lake, Kolkata - 700091.
CIN: U74140WB1991PLC053189; **Website:** www.arohan.in

Arohan Financial Services Limited
Statement of audited financial results for the quarter and year ended 31 March 2022
Annexure 1

Sl. No	Particulars	Ratio
A	Debt-equity ratio ⁽¹⁾	4.03
B	Debt service coverage ratio ⁽²⁾	Not Applicable
C	Interest service coverage ratio ⁽²⁾	Not Applicable
D	Debenture redemption reserve ⁽³⁾	Nil
E	Net worth (₹ in lakhs) ⁽⁴⁾	1,02,348.09
F	Net profit after tax (₹ in lakhs)	
	(i) For the quarter ended	1,435.40
	(ii) For the year ended	6,095.03
G	Earnings per share - Basic and Diluted (in ₹)	
	(i) Basic :	
	Quarterly	1.19
	Year ended	5.07
	(ii) Diluted :	
	Quarterly	1.19
	Year ended	5.05
H	Current ratio ⁽⁷⁾	Not Applicable
I	Long term debt to working capital ⁽⁷⁾	Not Applicable
J	Bad debts to account receivable ratio ⁽⁷⁾	Not Applicable
K	Current liability ratio ⁽⁷⁾	Not Applicable
L	Total debts to total assets ⁽⁵⁾	78.93%
M	Debtors turnover ⁽⁷⁾	Not Applicable
N	Inventory turnover ⁽⁷⁾	Not Applicable
O	Operating margin (%) ⁽⁷⁾	Not Applicable
P	Net profit margin (%) ⁽⁶⁾	
	(i) For the quarter ended	6.46%
	(ii) For the year ended	6.62%
Q	Sector specific equivalent ratios, as applicable	
	(i) Capital Adequacy Ratio ⁽⁸⁾	34.58%
	(ii) Gross stage 3 Ratio ⁽⁹⁾	4.51%
	(iii) Net stage 3 Ratio ⁽¹⁰⁾	1.37%

Notes:-

- 1 Debt - equity ratio = (debt securities + borrowings-other than debt securities + subordinated liabilities) / net worth.
- 2 Debt service coverage ratio and interest service coverage ratio is not applicable to Banks or NBFC/ Housing Finance Companies registered with RBI as per Regulation 52(4) of SEBI Listing Obligations and Disclosure Requirements Regulation 2015.
- 3 Capital redemption Reserve/ Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
- 4 Net worth is aggregate of equity share capital and other equity
- 5 Total debts to total assets = (debt securities + borrowings - other than debt securities + subordinated liabilities) / total assets
- 6 Net profit margin = net profit after tax / total income
- 7 The Company is a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, hence these ratios are generally not applicable.
- 8 Capital to risk-weighted assets is calculated as per the RBI guidelines.
- 9 Gross stage 3 ratio = Gross stage 3 loans exposure at default (EAD) / Gross total loans EAD
- 10 Net Stage 3 ratio = (gross stage 3 loans EAD - impairment loss allowance for Stage 3) / (gross total loans EAD - impairment loss allowance for Stage 3)
* Refer note 5 of financial result.

By order of the Board
For **Arohan Financial Services Limited**

Manoj Kumar Nambiar
Managing Director
DIN: 03172919

Place: Kolkata
Date: 11 May 2022

Registered Office: PTI Building, DP Block, DP-9, 4th Floor, Sector - V, Salt Lake, Kolkata - 700091.
CIN: U74140WB1991PLC053189; **Website:** www.arohan.in