



MAINSTREAMING THROUGH FINANCIAL INCLUSION

In the News

Arohan's Information Security Management Systems get certified with ISO/IEC 27001:2013 by BSI



In the month of January 2023, Arohan Financial Services Limited has been successfully certified with the ISO/IEC 27001:2013 certificate from the British Standards Institution (BSI). This certificate has been awarded to Arohan's state-of-the-art technology landscape which complies with the international standards of ISO/IEC 27001:2013 for managing information security, applicable to information assets & processes under operations supported by Human Resources, Admin, Accounts, Finance, Risk, Credit, Internal Audit, Information Technology, Central Hub, Central Operations, and Legal & Compliance.

From the Management's Desk

Greetings,

I am delighted to connect with you all, as we start a new business year in April 2023.

The second half, especially the last quarter is normally the most active period and I am happy to report a healthy growth of over 30% in FY 2023 on the portfolio outstanding across our 2.1 million borrowers – we should close the year with a sector-best Net NPA of less than 0.25%.

We announced the closure of our INR 730Cr capital raise round (widely covered by Economic Times in their issue on April 10, 2023) with support from investors like Piramal Alternatives, Nuveen, FMO, and a

European DFI, setting the platform for expansion and growth. Additionally, the new RBI regulations, last year, have set the path for sustainable, prudent, and quality growth for the critical MFI sector in India.

ArohanPrivilege, our first-in-the-sector and unique digital lending vertical has now come of age with close to 7000 borrowers and over INR 30Cr outstanding as it seeks to scale up and grow in this new business year.

Our focus on quality underwriting with the proprietary Credit Scoring model, Nirnay, which also helps us do risk-based pricing aided by our Risk and Internal Audit verticals, and ably backed by a dedicated Recovery vertical will keep us in good stead as we scale up and grow to get closer to our Vision 2027 – Impacting 20 million lives by 2027.

Our Honourable Prime Minister's speech recently on MUDRA Yojana and Financial Inclusion was inspiring on how microfinance is growing, helping in creating entrepreneurs and actively aiding employment generation in India – it is wonderful to get support and recognition at the highest level in the government.

Let me end by thanking our 2.1 million borrowers, our 8400 and growing employee base, MFIN – our Self-Regulatory Organisation, the Reserve Bank of India - our regulator, our Central and State governments, our Promoter Group Aavishkaar, all investors, lenders, and all of you for your good wishes and support.

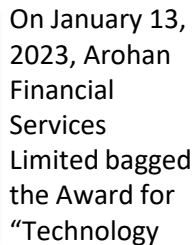
I wish you all a great start to the new 2023/24 business year.

Warm Regards,

Manoj Kumar Nambiar,
Managing Director



Arohan launches a new business vertical - Micro Enterprise Loans



a Business Vertical of **AROHAN**

Thought Leadership

In the month of February 2023, Arohan Financial Services Limited has been featured in leading regional newspapers of Odisha and Uttar Pradesh with success stories of a few of our customers in the given states. One of the stories from Odisha quotes, *“Microfinance institutions not only help their customers financially but also educate them in starting/expanding their business which in turn help them in actively participating in the elevation of the nation's economy. One such inspiring story is of Tambala Palei, a resident of Saktinagar Pada, a small village in the Kalahandi district of Odisha. She is a third cycle customer of Arohan Financial Services Limited.”*

Thought Leadership

Arohan Financial Services opens 102 new branches in FY 23



Arohan Financial Services Limited, Kolkata-based, leading, digitally advanced NBFC-MFI in India, has opened 102 new branches in FY 23 to expand its footprints to the underserved states of the country spanning

east, west, central and north-east India. As of March, the lender has 835 branches across 15 states.

The 102 new branches were opened in the states of West Bengal, Uttar Pradesh, Uttarakhand, Madhya Pradesh and Rajasthan with additional operations in the states of Assam, Bihar, Chhattisgarh, Jharkhand, Karnataka, Maharashtra, Meghalaya, Odisha, Telangana and Tripura.

PE Investors Infuse INR 730 Crore into Arohan Financial- An Economic Times coverage



On April 10, 2023, The Economic Times has featured an exclusive story on Arohan's recent closure of equity infusion of INR 730 Cr and the Company's plans for the next two years, ending FY25.

The story quotes, "Microfinance company Arohan Financial Services has raised INR 730 crore in a share sale to private equity investors in one of the largest fundraises by an NBFC-MFI in India in the post-Covid era." The story quotes, **Mr. Manoj Nambiar, Managing Director, Arohan**, "We would look at acquisition opportunities, especially in new geographies."

Engagement Initiatives

Arohan Financial Services launches Mini Science Centres in Kolkata for deaf and dumb students and in Jaipur for girl students of government school



In Q4 of FY 2023, Arohan launched Mini Science Centres for deafened students at the Deaf and Dumb Government School in Kolkata and for students of the Government Girls Senior Secondary School in Jaipur.

The Mini Science Centres are developed by STEM Education as per the school curriculum of the respective states. The facilities come equipped with 80 new scientific 'Plug & Play' models. The project has been handed over to the school authority by Mr. Rohit Raj, Manager, Corporate Social Responsibility, Arohan.

Mr. Prashant Rai, Head of HR and CSR, Arohan Financial Services said, "Arohan is focused on skill-building and education of the underserved, through its Corporate Social Responsibility initiatives. This is an exciting approach toward education with a fine mix of practical and theoretical experiences, best suited to develop students' knowledge, skills, and abilities."



Engagement Initiatives

Arohan conducts an awareness session on Anti-Money Laundering



In the month of March 2023, Arohan conducted an awareness session for all the employees of the organisation on Anti-Money Laundering and its consequences. The keynote speaker was

Mr. G. Ganesh, a performance-oriented banker with about 28 years of operational and leadership experience in Retail Banking, Corporate Banking, Risk, Compliance, and Audit verticals at two of the large Banks in India, State Bank of India and ICICI Bank Limited. The session was attended by almost 100 employees from Head Office and Zones.

Arohan concludes a two phase Managerial Development Programme for the leaders of the organisation



Arohan organised a Managerial Development Programme where a significant number of leaders from across the zones, came down to Kolkata. The key topics of this programme were Emotional Self Awareness,

Multiple Stakeholder Expectation Management, Effective Communication, and Identifying Natural Strengths and Strategies. The Managerial Development Programme was a 4-day event conducted in two phases. Mr. Sanjay Dua, acclaimed Life Coach and NLP practitioner, was accompanied by Mr. Anantadeb Bandyopadhyay, Group HR Head of Aavishkaar Group and a seasoned training professional for the engaging sessions.

Voice of Customer

"After getting a loan from Arohan, my family's income has increased and I have earned respect in society. I am thankful to Arohan for helping me set up my dairy business", says Sunita Devi.



Sunita Devi is a second-cycle loanee of Arohan's Choubepur branch in Uttar Pradesh. She lives in Garthauli with her husband, daughter, and son. She is a customer of Arohan's flagship Saral product and runs a small dairy farm.

Earlier, she faced a lot of difficulty in getting a loan from any bank, but her easy experience with Arohan gave her a fresh start. The loan amount helped her scale her business; she bought a couple more buffaloes for her farm and is now able to meet the high demands of her growing customer base. Now, her improved financial condition plays a contributing role in supporting her family and gaining respect in society.

More power to entrepreneurs like her!