





JANUARY 2024

From the Management's Desk

Season's Greetings,

Wish all of you a great new 2024 - with good health, wealth & cheer!

I am delighted to once again connect with you through our newsletter – the last quarter of October to December' 23 has been a busy one at Arohan.

Our unique privilege and digital offering to seasoned microfinance borrowers - **ArohanPrivilege** crossed a milestone of INR 100 Cr outstanding across 22,000 customers. Customers are delighted to be treated with due respect and be given the privileges they deserve with the impeccable credit and repayment history they have maintained over the years. We see this as a clear USP and have now started extending service to 'New to Arohan' borrowers as well.

Our **Debt Receivable Department** strengthened during the pandemic, has done well to use physical meetings, Lok Aadalats & settlements to reactivate borrowers and help them clear their credit records and get back to the mainstream.



Our approach has always been to strengthen the Management team well in advance of the growth we seek to achieve. I am happy to announce the addition of 4 key members to the management team – Sumit Mukherjee as our Chief Business Officer, Sharmistha Mukherjee as Head of IT Applications, Sharoni Pal as Head of Central Operations, and Kanchan Banerjee as our Head of HR/Admin/L&D & CSR. With these

additions, we continue to invest in and build a professional senior management team to be one of the best in the sector.

In line with our new **Vision 2028 – to impact 28 million lives by 2028**, we have opened our 3rd Circle Office in Bangalore to oversee the South expansion. The team, led by a Deputy Business Head, is getting in place and our first disbursal in the South will be in a branch in Karnataka in January 2024.

We launched "Disha", an AI-enabled search bot for text and voice queries that utilize machine learning to become more accurate over time, based on user interactions thereby, helping enhance employee efficiency right at the field level.

Our **MFI alliances** vertical is now actively working with smaller MFIs for term loan/DA and Sourcing & Collection arrangements while the **Micro Enterprise Loan (MEL)** vertical seeks to cater to credit requirements of tiny & micro business establishments in the catchment area of our branches.

Our Credit rating has seen an upgrade to **A (Stable)** from ICRA given the enhanced Net Worth, Capital Adequacy, and also the operational and financial performance this year. This is expected to help us with the debt raising, especially on the landed cost of borrowings.

The sector is fortunate to have an active **Self Regulatory Organisation (SRO) in MFIN** and as a key player we work closely with them and all peer group MFIs to address overall concerns to make the operating environment better and improve the financial viability and sustainability of this critical business in the Financial Inclusion space of the country.

I thank you all for your good wishes and look forward to working together!

Warm regards,

Manoj Kumar Nambiar, Managing Director

In the News

Arohan launched special festive loan offers for its customers, during the festive season

আরোহণের লোন বোনানজা চলবে ৩০ নভেম্বর পর্যন্ত

আজকালের প্রতিবেদন

উৎসবের মরওমে নতুন কিছু কিনতে মন চাইছে, কিন্তু পকেটে টান?
ছোটখাটো লোনও যে নেবেন, তারও উপায় নেই? লোন আানচাউট যে
আগে থেকেই চলছে: চলবে হথাতো আরও ২ বছরা আহলে উপায়?
"আরোহেণ ফিনালিফাল সার্ভিসেস" এমন পরিস্থিতিতে "মুশকিল আসাম"—
এর ভূমিনা নিচ্ছে। লোনের ওপর বাড়িত নোনা দিতে উলোগ নিয়েছে
তারা আর্থিক পরিক্রাথার খাকে বগল 'উপ-আপ ক্রেউটা সার্ভিসেম'।
ক্রেডিটের পরিমাণ এক্ষেত্রে কম হলেও ড্রেটিয়াটো কেনাকাটার ভালই
কান্তে লাগাবে বলে দারি আরোহাপের। আপাতত ১০ থেকে ১৫ হাজার টাকা
পর্যন্ত অভিরিক্ত লোন পাবেনা কর্মান আহকের। এই 'লোন বোনানভা'
অফার চাঞ্চা থাকবে ৩০ নাভম্বর পর্যন্তি আই ক্রিমাণ্ডাই ক্রেড ডটি
ইএমান্ডাই কিয়েছেন এবং ১ ১টি হ্রমাণ্ডাই ওলাব বাহি, জাইট
এই সুবিধা পাবেন 'সরল' খাতে। সুনের হার থাকবে সাধ্যের মধ্যেই।
আরোহপের চিন্দ কিলেনে অবিকার সুনিত মুখার্ভি জানিয়েছেন, 'আরও
বেশি করে প্রায়ভব্বেদ পালে দার্ভাইত ইই ন বুকু উল্লাম্ভাই অব্যার এক তর্মার
উদ্যাপানের মধ্যে দিয়ে কট্রিক।'

Image from Aajkaal Newspaper

Image from Aajkaal Newspaper

In the month of October 2023, Arohan Financial Services Limited launched a Festival Loan offer to support its customers to meet their business demands of the festive season. The offer also got featured in leading regional publications including Aajkaal, Sanmarg, Odisha Bhaskar and other renowned online news portals.

One of the articles quoted, "Arohan Financial Services, a leading player in the microfinance sector with AUM of over INR 6,000 Crores, launched festive offers of topup credit services to its existing customers till November 30, 2023, ensuring that the festive season is truly a time of celebration and prosperity by investing more in their business for a better livelihood."



In the News

Arohan introduced "Disha", a Digital Assistant for Business Intelligence

In the month of November 2023, Arohan introduced 'Disha', a new-age digital assistant for Arohan's Business Intelligence Dashboard. It is an artificial intelligence-driven tool that ensures to enhance the user experience of its employees through chatbot and voicebot. The technology is set up to recognize human speech and text through Natural Language Processing and Machine Learning.

The BI Dashboard provides a plethora of information on a day-to-day basis pertaining to business, portfolio quality, and much more. Navigating through the portal to get a piece of information can get tedious and complicated, but now with the help of 'Disha', it becomes much easier and faster

Arohan entered South; opened Zonal Office in Bengaluru, Karnataka



In the month of November 2023, Arohan Financial Services Limited entered the state of Karnataka with its Zonal Office in Bengaluru. This is a milestone achievement in the Company's expansion plan in South India.

ArohanPrivilege achieves milestones of INR 100 Cr POS, also gets featured in regional publications of Bihar, Haryana and Rajasthan

ArohanPrivilege, Arohan's unique lending offering for gold-class microfinance borrowers, achieved a milestone portfolio outstanding of INR 100 Cr. This is a landmark event in the history of the Indian microfinance industry.

आरोहणप्रिविलेज अब मिल सकेगा सभी पात्र गाहकों को

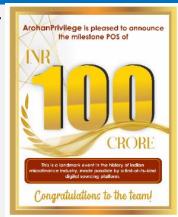
ा किरण तरहुं अपने के स्वास्त्र के स्वास्त



Image from Nav Bharat

The service is now available to 'New to Arohan' customers across most of the states of India. This news also got covered in leading regional publications across Bihar, Rajasthan and Haryana.

One of the articles quoted, "Arohan Financial Services Limited, a leading NBFC-MFI, regulated by the Reserve Bank of India is now extending its first-in-the-industry digital microfinance service, 'ArohanPrivilege,' to all eligible microfinance customers across the country."



Thought Leadership

Mr. Manoj Nambiar, Managing Director was interviewed by The Times Of India



Mr. Manoj Kumar Nambiar, Managing Director, Arohan Financial Services Limited, was interviewed by The Times Of India for a story on "Last-mile Lending".

The story quotes, "Microfinance, as an asset class, has always reported a 99% plus collection efficiency and a lesser than 1% credit costs. This can easily translate to a 15% plus return on equity. We aim to grow in the west and south regions and look at a potential initial public offering (IPO) listing in the next 18 to 24 months, said Mr. Manoj Nambiar, Managing Director, Arohan Financial Services Limited."



Thought Leadership

A success story of Arohan's customer from West Bengal gets featured in 'Ekdin'

হতাশায়'আরোহন' ছিল পাশে, ঋণ নিয়ে ব্যবসায় সাফল্য সুপর্ণার

নিজস্ব প্রতিবেদন: দারিদ্রের সঙ্গে লড়তে লড়তে যখন আর পেরে উঠছেন না, দিশেহারা ঠিক তখনই পাশে দার্ভিয়েছিল ক্ষুদ্র ঋণপ্রসার কথা 'আরোহন'। এই সংস্থার ঝণ নিয়ে জীবনে আরোহন উত্তর ২৪ পরগানার ঠৈতালের বাদিশা সুপর্ণা মতলের।

জাবাদ আরোধা ওছব ২৪ সরানার ট্রৈতালের বাদিলা সূপর্যা খণ্ডালের। একসময় দু'বেলার থাক জােগানো খুবই কঠিন ছিল। তবে দিন বদলের সঙ্গে বদলেছে তবি জীবন। 'আারাহন' নামে এক এনবিএফিদ মাইলেফাইনাল জান্যে সহারতা আর তবি পরিরুদ্ধের জােরে আজ তিনি মংস্য ব্যবসায়ী।

২০১৯ সালে তিন একর ছড়ে
মাহের ব্যবসা চাপিয়ে যাওয়ার জনা ফল
চমেছিলেন সুপর্বা। কিছ, তর্ব
আন্পানের সবার মতো তাঁরও বড়
কম্মা হয়ে দাছিয়েছিল সুনের উচ্চ হার
এবং ভাটিল পছতিতে সুপর্বারও ঋণ
সম্পার্ট একটা বড় সমসা হয়ে দীয়া।
তবং "আহারেনহ" ফাইনাছিলা
সার্ভিসেন সাহায়ের ইত বাছিয়ে দেয়।
এই মাইক্রফিনালে থেকে ঋণ বাবাদ
ভাগ্র অর্থ তাঁর বনসায় বিনিয়োগ
করেছিলেন সুপর্বা। পরে ঋনের অর্থের
বাক্সা বাড়ান।
এই সর মিলিয়ে এখন তিনি

Image from Ekdin Newspaper

in the fisheries business."

পরিচিতি পোরেছেন এক সফল মংস্যা বাবসায়ী বিশেষজ্ঞ হিসেবে। এই প্রসঙ্গে সূপর্ণা মণ্ডল জানান, 'আরোহনের কাছ থেকে আমার প্রথম ঋণ পাওয়ার মুহুর্ত ছিল অত্যন্ত আনন্দের। আমি গত তিন বছর ধরে তাদের ওপর নির্ভর করেছি।



আরোহন আমার মধ্যে বড় হওয়ার স্বর্ম দেখিয়েছে। তাদের সমর্থন ছড়া আমার বর্তমান এই উচ্চতার পৌছতে পারতাম না। এটি আমার জীবনে সবচেয়ে গভীর প্রভাব ফেলেছে এবং আমি এই মাইজেলিফানিদের কছে ক্ষেত্রকার ক্ষেত্রকার ক্ষাম্বিকার কছে ক্ষেত্রকার ক্ষাম্বিকার ক্ষাম্বিক

অকৃত্রিমভাবে কৃতজ্ঞও।"
সুপর্ণার জীবনের এই ঘটনা এক
দায়িত্বশীল ক্ষুদ্ধশ প্রদান পদ্ধতি সমাজে
এক গভীর প্রভাব ফেলে। নিজর
ভাগকার অন্যানের অনুস্থাণিত করতেও
স্বপর্নাকে সাহায্য করেছে এই আরোহন।

MFI, and her hard work, she is a successful entrepreneur

In the month of October 2023, the success story of Suparna Mondal, a Arohan customer from West Bengal got featured in a leading regional daily, 'Ekdin'. The story quotes, "Mrs. Suparna Mondal, a resident of Chaital, in the district of North 24 Parganas, West Bengal, used to find it extremely difficult to make two ends meet. Today, with the help of microfinance loan from Arohan, a leading NBFC-

Mr. Manoj Nambiar on The Banking Show, a podcast by The Business Standard



In the month of December 2023, Mr. Manoj Nambiar, Managing Director, Arohan Financial Services Limited, part of the Aavishkaar Group, was interviewed in an exclusive Podcast - Banking Show by Business Standard. In this exclusive interaction with the Senior Journalist, Mr. Raghu Mohan of Business Standard, Mr. Manoj Nambiar talks about the lending scenario in the microfinance industry. Watch the full video here.

Arohan gets featured by PTI; story on Digital Lending



In the month of November 2023, Mr. Arvind Murarka, Chief Information Officer and Ms. Reema Mukherjee, Head of Digital Growth engaged in an exclusive interaction with the Press Trust of for their story "Arohan MFI aims to enhance lending through Digital Mode."

The story quoted, "Micro-lender Arohan Financial Services is eyeing to increase lending through the digital mode due to its better compliance in repayments and administrative convenience, an official said. The micro-finance institution (MFI) launched its app 'Apna Arohan' one-and-half years ago to make a foray into digital lending, besides the traditional brick-and-mortar route, he said."

The story also got carried out by other leading media portals including Republic World, The Print, PSU Watch and Outlook India. Read the story <u>here</u>.



Engagement Initiatives

251 beneficiaries of Mayurakshi slated to benefit from Arohan's Organic Vegetable Cultivation Training Programme



In the months of October and December 2023, Arohan initiated an Organic Vegetable (Potato) Cultivation Training Programme at Mayurakshi, West Bengal along with implementing partner Gram Jagat. As a part of this project, Arohan trained a total of 251 beneficiaries and potato seeds were distributed among 220 farmers.

Arohan organised a mandatory POSH training for all its employees across locations

On December, 2023, Arohan, with its focus on safety and wellbeing of all employees, organised and completed a mandatory training on Prevention of Sexual Harassment at workplace, for all kits employees. The sessions were conducted in three parts covering each and each cadre of employees of the organisation. With a



commitment to creating a safe and inclusive workplace, these sessions served as a platform to make employees aware of what is an acceptable behaviour at workplace and what is not. Employees were also made aware of the Internal Committee pertaining to POSH.

Voice of Customer



"Getting a loan from Arohan has been a great experience. My family's income has increased which helps us fulfil our dreams. I am thankful to Arohan for helping me in my business and in securing my future", says Afiya Begum.

Afiya Begum is a third-cycle loanee of Arohan from Assam. She lives in Rupahi village with her husband and two sons. She is a customer of Arohan's flagship Saral product and runs a small grocery shop and plans to expand it to meet her customer's high demands.

Afiya never faced any difficulty in getting a loan from Arohan, and this experience gave her the confidence to avail a loan for the third time. The loan amount helped her scale her business and she 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 fulfilling their dreams.

More power to entrepreneurs like her!

AROHAN

AAVISHKAAR GROUP