

July 09, 2025

Arohan Financial Services Limited: Rating withdrawn for PTCs under an MSME loan securitisation transaction

Summary of rating action

Trust Name	Instrument*	Initial rated amount (Rs. crore)	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating Action
Aavishkaar February 2024 Trust I	Series A1 PTC	94.55	94.55	0.00	[ICRA]A+(SO); Withdrawn

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating for the pass-through certificates (PTCs) issued under an MSME loan securitisation transaction originated by Arohan Financial Services Limited (Arohan/Originator), as tabulated above. All the payouts to the investor in the above-mentioned instrument have been made and no further payments are due to the investor. Arohan was also the servicer of the rated transaction.

The key rating drivers, liquidity position, and rating sensitivities have not been captured as the rating assigned to the instrument has been withdrawn. The detailed rating rationale of the previous rating exercise is available at the following link:

[Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	ICRA's Policy on Withdrawal of Credit Rating
Parent/Group support	Not Applicable
Consolidation/Standalone	Not Applicable

About the originator

Arohan Financial Services Limited (Arohan) is a Kolkata-headquartered non-banking financial company – microfinance institution (NBFC-MFI). It was incorporated on September 27, 1991. Arohan is engaged in the business of microlending, mainly to women, and operates on the joint liability group (JLG) model. It was set up through the acquisition of an existing NBFC, ANG Resources Ltd, with the support of Bellwether Microfinance Fund. The company's name was changed to Arohan Financial Services Limited in March 2008. Arohan became a part of the Aavishkar Group in September 2012.

As on March 31, 2025, it was catering to 21.4 lakh borrowers through a network of 1102 branches spread across 323 districts and 17 states while managing assets under management (AUM) of Rs. 6,003 crore.

Key financial indicators

Particulars	FY2023	FY2024	FY2025*
As per	Ind-AS	Ind-AS	Ind-AS
Total income	1,091	1,635	1,695
Profit after tax	71	314	110
Total managed assets (grossed up for provisions)	6,635	8,654	113
Gross stage 3 assets	2.7%	1.7%	2.8%
CRAR	28.7%	29.0%	34.1%

Source: Company, ICRA Research; Amount in Rs. Crore

*Provisional numbers

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust name	Current rating (FY2026)				Chronology of rating history for the past 3 years		
	Instrument	Initial rated amount	Current rated amount	Date & rating in FY2026	Date & rating in FY2025	Date & rating in FY2024	Date & rating in FY2023
		(Rs. crore)	(Rs. crore)	Jul 09, 2025	Jul 05, 2024	Mar 08, 2024	-
Aavishkaar February 2024 Trust I	Series A1 PTC	94.55	0.00	[ICRA]A+(SO); Withdrawn	[ICRA]A+(SO)	Provisional [ICRA]A+(SO)	-

Complexity level of the rated instruments

Trust Name	Instrument	Complexity Indicator
Aavishkaar February 2024 Trust I	Series A1 PTC	Moderately 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, is available on ICRA's website [Click Here](#)

Annexure I: Instrument details

Trust name	Instrument name	Date of issuance / Sanction	Coupon rate (p.a.p.m.)	Maturity date	Current rated amount (Rs. Crore)	Current rating
Aavishkaar February 2024 Trust I	Series A1 PTC	March 25, 2024	9.65%	January 24, 2026	0.00	[ICRA]A+(SO); Withdrawn

Source: Company

Annexure II: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

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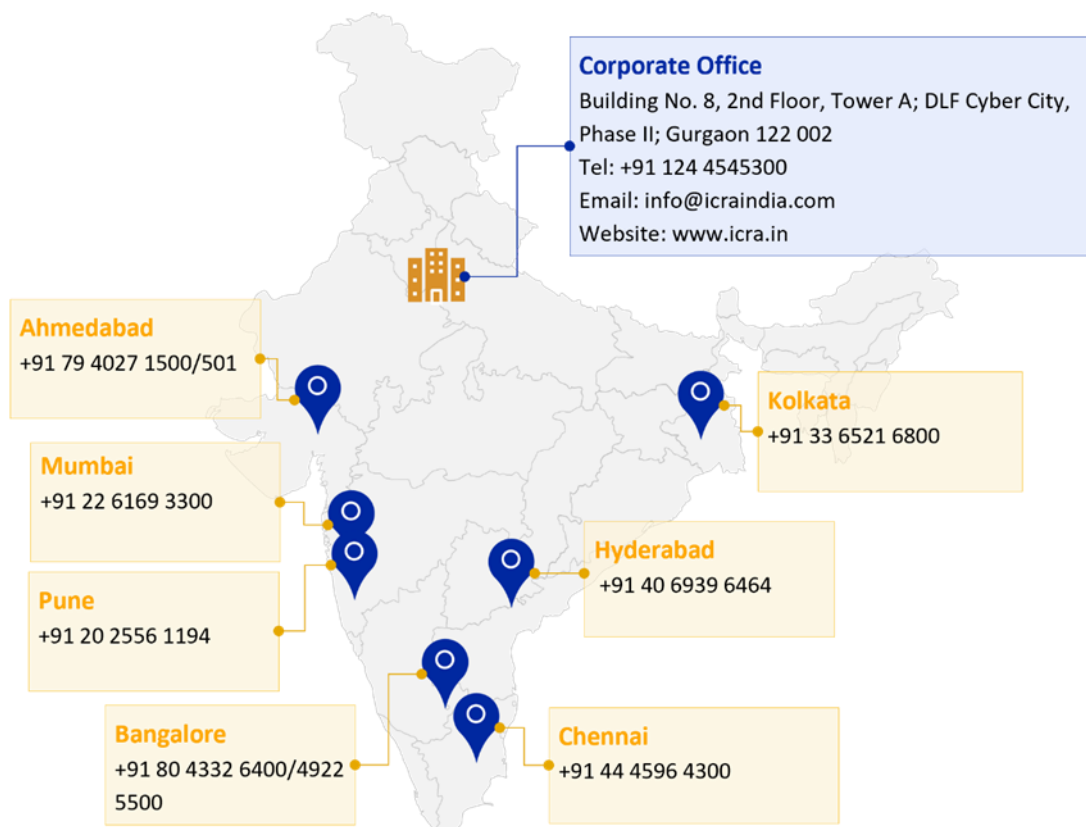


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