

July 02, 2026

Arohan Financial Services Limited: Update on material event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating outstanding
Non-convertible debentures	25.00	25.00	[ICRA]A (Stable)
Non-convertible debentures	200.00	200.00	[ICRA]A (Stable)
Long-term bank facilities – Fund based	5,603.07	5,603.07	[ICRA]A (Stable)
Subordinated debt	25.00	25.00	[ICRA]A (Stable)
Total	5,853.07	5,853.07	

*Instrument details are provided in Annexure II

Rationale

Arohan Financial Services Limited, vide its stock exchange filing and mail dated June 30, 2026, has intimated that the scheduled monthly interest payment aggregating Rs. 18,220.93 towards non-convertible debenture (NCD) bearing ISIN INE808K08061 could not be remitted to a few investors because of unavailability of their correct bank account details or closure of their bank accounts. However, ICRA notes that the entire unpaid amount was credited to a separate escrow account maintained with a scheduled commercial bank before the due date, i.e. June 30, 2026.

Arohan had sufficient liquidity in the form of cash and bank balances of ~Rs. 534 crore as on June 29, 2026 and ~Rs. 629 crore as on June 30, 2026. The inability to make the payment to the investors concerned neither reflects its lack of ability nor willingness to service the debt obligations. The inability to make the payment was because of reasons beyond the control of the company as it could not gather the correct account details of the investors concerned or the bank account of the investor concerned had closed despite making efforts to approach them independently and through the Registrar and Transfer Agent (RTA).

Given that the company's fundamental credit profile remains intact and the unpaid amount had been transferred to a separate escrow account on the due date itself, its rating remains unchanged, in accordance with ICRA's Policy on Default Recognition.

The table below includes the details of the instruments concerned:

Name of security	ISIN	Total amount to be paid (Rs. lakh)	Due date of payment	Amount of payment made (Rs. lakh)	Amount of payment failed (Rs. lakh)	Reasons for failure of payment	Date when the amount corresponding to the failed payment was transferred to a separate escrow account
NCD	INE808K08061	26.40	June 30, 2026	26.22	0.18	Incorrect/closed account numbers	June 29, 2026*

* As per the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-3/P/CIR/2024/160 dated November 18, 2024, amount of Rs. 0.18 lakh has been deposited in an escrow account designated for coupon payments

Please refer to the following link for the previous detailed rationale that captures the key rating drivers and their description, liquidity position, and rating sensitivities: [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Non-banking finance companies (NBFCs) Policy on default recognition
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

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, 2026, it was managing assets under management (AUM) of ~Rs. 7,426 crore.

Key financial indicators

Arohan Financial Services Limited	FY2024	FY2025	FY2026*
As per	Ind-AS	Ind-AS	Ind-AS
Total income	1,635	1,695	1,552
Profit after tax	314	110	122
Total managed assets (grossed up for provisions)	8,654	7,228	8,639
Return on average managed assets	4.1%	1.4%	1.5%
Managed gearing (times)	3.3	2.4	2.9
Gross stage 3 assets	1.7%	2.9%	1.1%
CRAR	29.0%	34.1%	27.6%

Managed gearing = (On-book borrowings + Securitised/Assigned loan assets)/(Net worth)

*Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; *Provisional*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)				Chronology of rating history for the past 3 years						
	Type	Amount rated (Rs. crore)	July 02, 2026	FY2027		FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
Long-term bank facilities – Fund based	Long term	5,603.07	[ICRA]A (Stable)	April 01, 2026	[ICRA]A (Stable)	Apr 02, 2025	[ICRA]A (Stable)	May 20, 2024	[ICRA]A (Stable)	Aug 14, 2023	[ICRA]A- (Positive)
				April 30, 2026	[ICRA]A (Stable)	May 02, 2025	[ICRA]A (Stable)	Oct 25, 2024	[ICRA]A; Rating Watch with Negative Implications	Nov 9, 2023	[ICRA]A- (Positive)
				June 02, 2026	[ICRA]A (Stable)	Jun 03, 2025	[ICRA]A (Stable)	Nov 11, 2024	[ICRA]A; Rating Watch with Negative Implications	Jan 10, 2024	[ICRA]A (Stable)
						Jul 02, 2025	[ICRA]A (Stable)	Jan 14, 2025	[ICRA]A (Stable)	-	-
						Aug 04, 2025	[ICRA]A (Stable)	Feb 4, 2025	[ICRA]A (Stable)	-	-
						Sep 02, 2025	[ICRA]A (Stable)	Mar 4, 2025	[ICRA]A (Stable)	-	-
						Sep 30, 2025	[ICRA]A (Stable)	-	-	-	-
						Nov 04, 2025	[ICRA]A (Stable)				
						Dec 02, 2025	[ICRA]A (Stable)				
						Jan 05, 2026	[ICRA]A (Stable)				
						Jan 13, 2026	[ICRA]A (Stable)				
						Feb 03, 2026	[ICRA]A (Stable)				
						Mar 03, 2026	[ICRA]A (Stable)				

Instrument	Current (FY2027)				Chronology of rating history for the past 3 years						
	Type	Amount rated (Rs. crore)	July 02, 2026	FY2027		FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
NCDs	Long term	200.00	[ICRA]A (Stable)	April 01, 2026	[ICRA]A (Stable)	Apr 02, 2025	[ICRA]A (Stable)	May 20, 2024	[ICRA]A (Stable)	Aug 14, 2023	[ICRA]A- (Positive)
				April 30, 2026	[ICRA]A (Stable)	May 02, 2025	[ICRA]A (Stable)	Oct 25, 2024	[ICRA]A; Rating Watch with Negative Implications	Nov 9, 2023	[ICRA]A- (Positive)
				June 02, 2026	[ICRA]A (Stable)	Jun 03, 2025	[ICRA]A (Stable)	Nov 11, 2024	[ICRA]A; Rating Watch with Negative Implications	Jan 10, 2024	[ICRA]A (Stable)
						Jul 02, 2025	[ICRA]A (Stable)	Jan 14, 2025	[ICRA]A (Stable)	-	-
						Aug 04, 2025	[ICRA]A (Stable)	Feb 4, 2025	[ICRA]A (Stable)	-	-
						Sep 02, 2025	[ICRA]A (Stable)	Mar 4, 2025	[ICRA]A (Stable)	-	-
						Sep 30, 2025	[ICRA]A (Stable)	-	-	-	-
						Nov 04, 2025	[ICRA]A (Stable)				
						Dec 02, 2025	[ICRA]A (Stable)				
						Jan 05, 2026	[ICRA]A (Stable)				
						Jan 13, 2026	[ICRA]A (Stable)				
						Feb 03, 2026	[ICRA]A (Stable)				
						Mar 03, 2026	[ICRA]A (Stable)				
NCDs	Long term	25.00	[ICRA]A (Stable)	April 01, 2026	[ICRA]A (Stable)	Apr 02, 2025	[ICRA]A (Stable)	May 20, 2024	[ICRA]A (Stable)	Aug 14, 2023	[ICRA]A- (Positive)
				April 30, 2026	[ICRA]A (Stable)	May 02, 2025	[ICRA]A (Stable)	Oct 25, 2024	[ICRA]A; Rating Watch with	Nov 9, 2023	[ICRA]A- (Positive)

Instrument	Current (FY2027)				Chronology of rating history for the past 3 years						
	Type	Amount rated (Rs. crore)	July 02, 2026	FY2027		FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
									Negative Implications		
				June 02, 2026	[ICRA]A (Stable)	Jun 03, 2025	[ICRA]A (Stable)	Nov 11, 2024	[ICRA]A; Rating Watch with Negative Implications	Jan 10, 2024	[ICRA]A (Stable)
						Jul 02, 2025	[ICRA]A (Stable)	Jan 14, 2025	[ICRA]A (Stable)	-	-
						Aug 04, 2025	[ICRA]A (Stable)	Feb 4, 2025	[ICRA]A (Stable); downgraded to [ICRA]D and simultaneously upgraded to [ICRA]A (Stable)	-	-
						Sep 02, 2025	[ICRA]A (Stable)	Mar 4, 2025	[ICRA]A (Stable)	-	-
						Sep 30, 2025	[ICRA]A (Stable)	-	-	-	-
						Nov 04, 2025	[ICRA]A (Stable)				
						Dec 02, 2025	[ICRA]A (Stable)				
						Jan 05, 2026	[ICRA]A (Stable)				
						Jan 13, 2026	[ICRA]A (Stable)				
						Feb 03, 2026	[ICRA]A (Stable)				
						Mar 03, 2026	[ICRA]A (Stable)				
NCDs	Long term	-	-	-	-	-	-	May 20, 2024	[ICRA]A (Stable)	Aug 14, 2023	[ICRA]A- (Positive)
								Oct 25, 2024	[ICRA]A; Rating Watch with Negative Implications	Nov 9, 2023	[ICRA]A- (Positive)

Instrument	Current (FY2027)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	July 02, 2026	FY2027		FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating	Date	Rating
								Nov 11, 2024	[ICRA]A; Rating Watch with Negative Implications	Jan 10, 2024	[ICRA]A (Stable)
								-	-	-	-
								-	-	-	-
								-	-	-	-
Subordinated debt	Long term	25.00	[ICRA]A (Stable)	April 01, 2026	[ICRA]A (Stable)	Apr 02, 2025	[ICRA]A (Stable)	May 20, 2024	[ICRA]A (Stable)	Aug 14, 2023	[ICRA]A-(Positive)
				April 30, 2026	[ICRA]A (Stable)	May 02, 2025	[ICRA]A (Stable)	Oct 25, 2024	[ICRA]A; Rating Watch with Negative Implications	Nov 9, 2023	[ICRA]A-(Positive)
				June 02, 2026	[ICRA]A (Stable)	Jun 03, 2025	[ICRA]A (Stable)	Nov 11, 2024	[ICRA]A; Rating Watch with Negative Implications	Jan 10, 2024	[ICRA]A (Stable)
						Jul 02, 2025	[ICRA]A (Stable)	Jan 14, 2025	[ICRA]A (Stable)		
						Aug 04, 2025	[ICRA]A (Stable)	Feb 4, 2025	[ICRA]A (Stable)		
						Sep 02, 2025	[ICRA]A (Stable)	Mar 4, 2025	[ICRA]A (Stable)		
						Sep 30, 2025	[ICRA]A (Stable)	-	-		
						Nov 04, 2025	[ICRA]A (Stable)				
						Dec 02, 2025	[ICRA]A (Stable)				
						Jan 05, 2026	[ICRA]A (Stable)				
						Jan 13, 2026	[ICRA]A (Stable)				
						Feb 03, 2026	[ICRA]A (Stable)				
						Mar 03, 2026	[ICRA]A (Stable)				

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Subordinated debt	Simple
NCD	Simple
Long-term bank facilities – Fund based	Simple

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 are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
INE808K08079	NCD	Mar-31-2022	13.65%	Jun-30-2027	200.00	[ICRA]A (Stable)
INE808K08061	NCD	Oct-25-2019	12.85%	Oct-25-2026	25.00	[ICRA]A (Stable)
NA	Long-term bank facilities – Fund based	Jun-08-2018 to Apr-02-2024	5.15-11.75%	Jul-10-2023 to Apr-30-2027	5,603.07	[ICRA]A (Stable)
NA	Subordinated debt (term loan)	Mar-30-2021	14.25%	Jun-04-2027	25.00	[ICRA]A (Stable)

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Not applicable

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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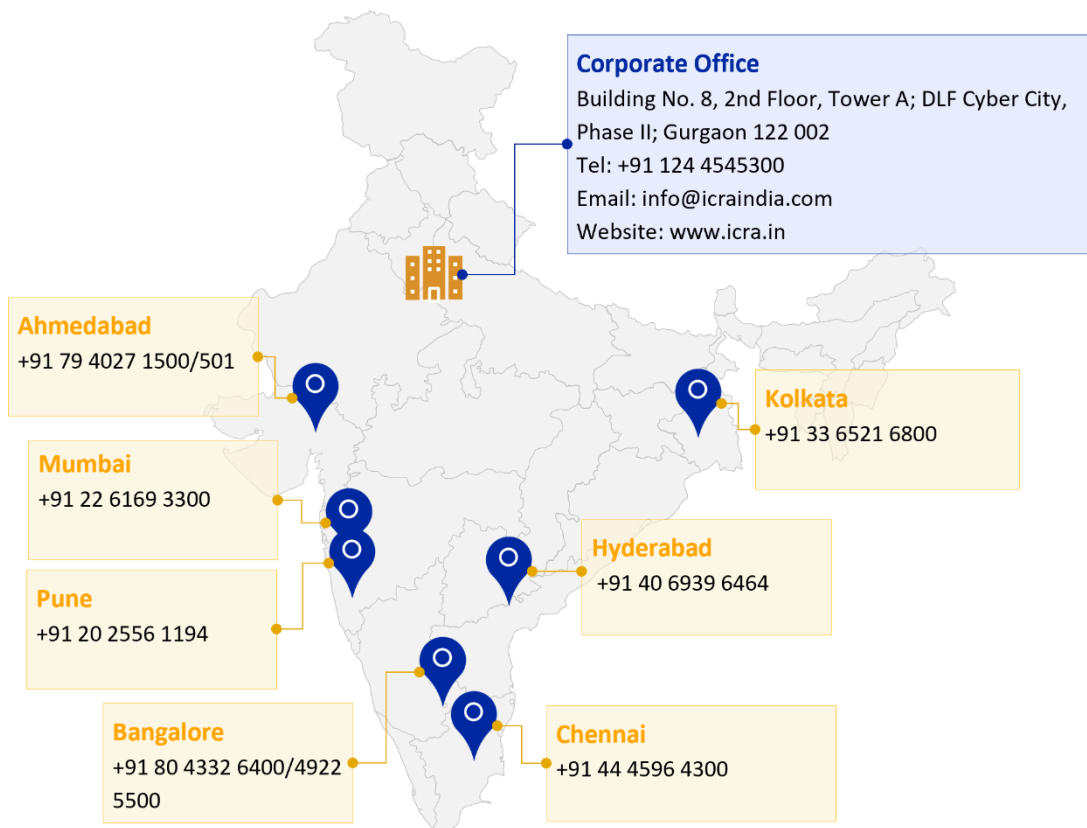
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