September 11, 2026

Arohan Financial Services Limited: Ratings withdrawn for PTCs issued under a microfinance loan securitisation transaction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	Financial Sector Regulator#
Ascent Gamma May 2025	Series A1 PTC	99.96	99.96	0.00	[ICRA]AA-(SO); Withdrawn	RBI
	Series A2 PTC	3.49	3.49	0.00	[ICRA]A+(SO); Withdrawn	RBI
	Equity Tranche	4.65	4.65	0.00	[ICRA]A-(SO); Withdrawn	RBI

**Instrument details are provided in Annexure I*
#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.

Rationale

ICRA has withdrawn the ratings for the pass-through certificates (PTCs) issued under a microfinance loan securitisation transaction originated by Arohan Financial Services Limited (Arohan/Originator; rated [ICRA]A (Stable)[1]), as tabulated above. All the payouts to the investors in the above-mentioned instruments 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position, and rating sensitivities have not been captured as the rating assigned to both the instruments have been withdrawn. The detailed rating rationale of the previous rating exercise is available at the below mentioned 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 borrowers, 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 June 30, 2026, it was managing assets under management (AUM) of ~Rs. 7,669 crore.

[1] *The current rating rationale of the originator, available at this link, provides its detailed rating history and rating transitions.*

Key financial indicators

Particulars	FY2025	FY2026	Q1FY2027
As per	Ind-AS	Ind-AS	Ind-AS
Total income	1,695	1,552	479
Profit after tax	110	122	105
Total managed assets (grossed up for provisions)	7,228	8,639	8,799
Gross stage 3 assets	2.9%	1.1%	0.91%
CRAR	34.1%	27.6%	26.18%

Managed gearing = (On-book borrowings + Securitised/assigned loan assets)/(Net worth)
Source: Company, ICRA Research; Amount in Rs. Crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Trust name	Instrument	Current rating (FY2027)		Chronology of rating history for the past 3 years				
		Initial rated amount	Current rated amount	Date & rating in FY2027	Date & rating in FY2026		Date & rating in FY2025	Date & rating in FY2024
		(Rs. crore)	(Rs. crore)	Sep 11, 2026	Sep 11, 2025	Jun 04, 2025	-	-
Ascent Gamma May 2025	Series A1 PTC	99.96	0.00	[ICRA]AA-(SO); Withdrawn	[ICRA]AA-(SO)	Provisional [ICRA]AA-(SO)	-	-
	Series A2 PTC	3.49	0.00	[ICRA]A+(SO); Withdrawn	[ICRA]A+(SO)	Provisional [ICRA]A+(SO)	-	-
	Equity Tranche	4.65	0.00	[ICRA]A-(SO); Withdrawn	[ICRA]A-(SO)	Provisional [ICRA]A-(SO)	-	-

Complexity level of the rated instruments

Trust Name	Instrument	Complexity Indicator
Ascent Gamma May 2025	Series A1 PTC	Highly Complex
	Series A2 PTC	Highly Complex
	Equity Tranche	Highly 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	Financial Sector Regulator#
Ascent Gamma May 2025	Series A1 PTC	May 28, 2025	9.40%	May 27, 2027	0.00	[ICRA]AA-(SO); Withdrawn	RBI
	Series A2 PTC		11.50%		0.00	[ICRA]A+(SO); Withdrawn	RBI
	Equity Tranche		-		0.00	[ICRA]A-(SO); Withdrawn	RBI

Source: Company

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Annexure II: List of entities considered for consolidated analysis

Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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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