

No. _____
Addressed to: _____

INFORMATION MEMORANDUM

AROHAN FINANCIAL SERVICES PRIVATE LIMITED

A private limited company incorporated under the Companies Act, 1956

Date of Incorporation: September 27, 1991

Registered Office: — PTI Building, 4th Floor, Blok DP, DP-9, Sector V, Salt Lake City, Kolkata - 700091

Telephone No.: +91 33 4015 6000

Information Memorandum for issue of Debentures on a Private Placement Basis

Dated: September 20, 2016

Issue of 100 (One Hundred) Unsecured, Subordinated, Rated, Listed, Redeemable, Non-convertible Debentures of face value of Rs.10,00,000/- (Rupees Ten Lakh only) each, aggregating up to Rs. 100,000,000/- (Rupees Ten Crores only) on a private placement basis (the "Issue")

Background

This Information Memorandum prepared under the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended), the Securities and Exchange Board of India (Issue and Listing of Debt) Regulations, 2008 as amended by the Securities and Exchange Board of India (Issue and Listing of Debt) Regulations, 2012, for private placement of the Debentures is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the debt securities to be issued by Arohan Financial Services Private Limited (the "Issuer" or "Company"). This is only an information brochure intended for private use.

This Information Memorandum contains relevant information and disclosures required for the purpose of issuing and allotting the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through a resolution passed by the shareholders of the Issuer on 22nd August 2016 and the Board of Directors of the Issuer on 22nd August 2016 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated 22nd August 2016 in accordance with provisions of the Companies Act 2013 (the "2013 Act"), the Company has been authorised to borrow, upon such terms and conditions as the Board may think fit for amounts up to Rs. 10,00,00,000/- (Rs. Ten Crores only). The present issue of NCDs in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

General Risks

Investment in debt and debt related securities involve a degree of risk and investors should not invest any funds in the debt instruments, unless they can afford to take the risks attached to such investments and only after reading the information carefully. For taking an investment decision, the investors must rely on their own examination of the Company and the Issue including the risks involved. The Debentures have not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of Investors is invited to the statement of Risk Factors on Page 16 of this memorandum of private placement for issue of Debentures on a private placement basis ("Information Memorandum" or "Disclosure Document"). This Information Memorandum has not been submitted, cleared or approved by SEBI.

Issuer's Absolute Responsibility

The Issuer, having made all reasonable inquiries, confirms and represents that the information contained in this Information Memorandum/ Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer is solely responsible for the correctness, adequacy and disclosure of all relevant information herein.



Date: September 20, 2016

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by CARE Ratings. The Rating Agency has vide its letter dated **September 16, 2016** assigned a rating of **CARE BBB+** in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Information Memorandum for the letter dated September 19, 2016 from the Rating Agency assigning the credit rating abovementioned and disclosing the rating rationale adopted for the aforesaid rating.

Issue Schedule

Issue Opens on: September 20, 2016

Issue Closing on: September 20, 2016

Deemed Date of Allotment: September 20, 2016

The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

The Debentures are proposed to be listed on the wholesale debt market of the Bombay Stock Exchange ("BSE").

Sole Arrangers**IFMR Capital Finance Pvt.Ltd.**

10th Floor-Phase 1, IIT-Madras
Research Park, Kanagam Village,
Tharamani, Chennai- 600 113
Contact Person: Mr Vineet Sukumar
Tel: +91-44-6668 7000
Fax: +91-44-6668 7010
Email: contact.capital@ifmr.co.in
Website: <http://capital.ifmr.co.in>

Registrar and Transfer Agent**Link Intime India Pvt Ltd**

C-13, Pannalal, Silk Mills Compound,
L B S Marg,
Bhandup (west)
Mumbai- 400078
Maharashtra, India
Tel: +91-22-25946970
Fax: +91-22-25946969
Contact Person: Mr Ganesh Jadhav
Website: [http:// www. linkintime.co.in](http://www.linkintime.co.in)

Debenture Trustee**CATALYST TRUSTEESHIP LIMITED**

GDA House, First Floor, Plot No. 85
S. No. 94 & 95, Bhusari Colony
(Right), Kothrud Pune Maharashtra 411038
India
India Tel: 022 49220507



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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Act	Means Companies Act, 2013, and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time
Adjusted Return on Assets	For any period means (x) the Company's net income over the preceding period plus Loan Loss Reserves less the sum of Portfolio at Risk Over 30 Days divided by (y) its average Assets over that same period
Applicant	Means a person who has submitted a completed Application Form to the Company
Application Form	Means the application form in the Debt Disclosure Document
Application Money	Means the subscription monies paid by the Applicants at the time of submitting the Application Form
Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue
Applicable Law(s)	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof
Assets	Means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with Indian GAAP at such date
Beneficial Owner(s)	Means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository in the Register of Beneficial Owners
Board/Board of Directors	The Board of Directors of the Issuer
BSE	Means the BSE Limited
Business Day	Means any day, other than a public holiday under Section 25 of the Negotiable Instruments Act, 1881 at Chennai or a Sunday, on which banks are open for general business in Chennai
Business Day Convention	If the Due Date in respect of any interest or liquidated damages and all other monies payable under the Debenture Trust Deed falls on a day which is not a Business Day, then the immediately succeeding Business Day shall be the due date for such payment. Further, if the Due Date in respect of the Redemption Date or premature redemption amount falls on a day which is not a Business Day, then the immediately preceding Business Day shall be the due date for such payment
Capital Adequacy Ratio	Means the capital adequacy ratio prescribed by the RBI for NBFCs from time to time, currently being the aggregate of Tier I Capital and Tier II Capital divided by Risk Weighted Assets
CDSL	Central Depository Services (India) Limited
CITES	Means the Convention on International Trade in Endangered Species or Wild Fauna and Flora, including the protected flora and faunae as demonstrated on the website: www.cites.org
Client Loan	Means each loan made by the Company as a lender



Constitutional Documents	Means the memorandum of association and the articles of association of the Company
Control	Means and includes the right to appoint a majority of directors, or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner
Crore	Ten Million
Debentures/NCDs	100 (One Hundred) Unsecured Subordinated Rated Listed Redeemable Non-Convertible Debentures bearing a face value of Rs.10,00,000/- (Rupees Ten Lakh only) each, aggregating to Rs.100,000,000/- (Rupees Ten Crore only).
Debenture Holders / Investors	Means the persons who are, for the time being and from time to time, the holders of the Debentures and, whose names appear in the Register of Beneficial Owners, where such Debentures are held in dematerialised form and the Register of Debenture Holders, where such Debentures are held in physical form
Deemed Date of Allotment	September 20, 2016
Debenture Trustee	Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement executed/to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trustee Regulations	Means the Securities Exchange Board of India (Debenture Trustees) Regulations, 1993 (as amended or restated from time to time)
Debt Disclosure Document	Means the information memorandum dated September 20, 2016 issued by the Company for the issue of the Debentures on a private placement basis
Debt Listing Regulations	Means the Securities Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended or restated from time to time)
Debenture Trust Deed	Shall mean the Trust Deed executed/to be executed by and between the Debenture Trustee and the Company which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer
Demat	Dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	Means the depository with whom the Company has made arrangements for dematerializing the Debentures, being CDSL or NSDL
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
Disclosure Document / Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP ID	Depository Participant Identification Number.
DRR	Shall have the meaning given to it in Clause 2.19 of the Debenture Trust Deed
Due Date	Means the date on which any interest or liquidated damages, or the financial



	Redemption Amount or premature redemption amount and all other monies payable under the Debenture Trust Deed, are due and payable.
Equity	Means the total equity of the Company, including shareholders' equity, preference shares, reserves, retained earnings or losses, current year cumulated net income or loss and Subordinated Debt
EFT	Electronic Fund Transfer
Eligible Investors	Shall have the meaning specified in 7.14 below.
Events of Default	Means each of the events specified in Clause 4.2 of the Debenture Trust Deed
Exclusion List	Means any activity including (a) production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under CITES, (b) production or trade in weapons and munitions, (c) production or trade in alcoholic beverages (excluding beer and wine), (d) production or trade in tobacco, (e) gambling, casinos and equivalent enterprises, (f) production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment), (g) production or trade in unbonded asbestos fibers (this does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%), (h) drift net fishing in the marine environment using nets in excess of 2.5 km. in length, (i) production or activities involving harmful or exploitative forms of forced labor, or harmful child labour, (j) production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (hazardous chemicals include gasoline, kerosene, and other petroleum products), (k) production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples, (l) which may result in funding or supporting any individual or organization designated as: (i) terrorists or terrorist organizations by the United Nations, the European Union and any other applicable country; (ii) persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions
Final Redemption Date	Means September 20, 2022
Financial Year/ FY	Means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year
Governmental Authority	Shall mean any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Law
Gross Loan Portfolio	Means and includes the outstanding principal amount of the loans originated by the Borrower on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Borrower's own book
Indebtedness	Means any obligation of the Company (whether incurred as principal, independent guarantor or as surety) for the payment or repayment of borrowed money, whether present or future, actual or contingent



Indian GAAP	Shall mean the generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Company
Interest Expense	Means all interest payable by the Company on all borrowings of the Company and all financial assistance availed by the Company from any bank, financial institution or any other person
Interest Payment Date	Means the payment dates as specified in Schedule III, unless such day is not a Business Day, in which case the payment date will be the next Business Day
Interest Rate	Means 14.25% (Fourteen Decimal Point Two Five Percent) per annum
Issue Closing Date	September 20, 2016
Issue Opening Date	September 20, 2016
Issuer/ Company	Arohan Financial Services Private Limited
Law	Means any applicable law, code, ordinance, interpretation, guideline, directive, judgment, injunction, decree, treaty, regulation, rule or order of any court, tribunal or Governmental Authority, in force in India
Liability	Means, for any date of determination, the liabilities of the Company on such date as the same would be determined in accordance with the Indian GAAP at such date
Loan Loss Reserves	Means the portion of Client Loans that has been expensed (provided for) in anticipation of losses due to default
Local Currency	Means Indian Rupees (denoted as "INR" or "Rs."), the lawful currency of India
Majority Debenture Holders	Means such number of Debenture Holders collectively holding more than 66% (Sixty Six Percent) of the value of the Outstanding Principal Amounts of the Debentures
Majority Resolution	Means resolution approved by such number of Debenture Holders that represent more than 66% (Sixty Six Percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 66% (sixty six percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll
Material Adverse Effect	Means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on (a) the financial condition, business or operation of the Company; (b) the ability of the Company to perform its obligations under the Transaction Documents; or (c) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder)
Maturity Date	September 20, 2022, being 6(Six) years from the Deemed Date of Allotment, or such other date on which the final payment of the Debentures becomes due and payable as herein provided, whether at such stated maturity date, by declaration of acceleration, or otherwise.
N.A	Not Applicable
NBFC	Non-banking financial company
Net Assets	Means Total Assets excluding any securitized assets or managed (non-owned) loan portfolio of the Company
Net Income	Shall mean, for any particular period and with respect to the Company, all revenue (including Donations and grants) less all expenses (including



	taxes, if any for such period)
Net Owned Funds	Has the meaning ascribed to it under Section 45IA of the RBI Act, 1934
Nominee Director	Shall have the meaning given to it in Clause 5.8 of the Debenture Trust Deed
NBFC Master Circular	Means the master circular no. DNBR (PD) CC. No.043 / 03.10.119 / 2015-16 dated July 1, 2015 on Systematically Important Non-Banking Financial (Non - Deposit Accepting or Holding) Companies (as amended or modified or restated from time to time)
NSDL	National Securities Depository Limited
Obligations	Means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) obligations of the Company to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, all costs, charges, expenses and other monies payable by the Company in respect of the Debentures
Outstanding Portfolio	Means the outstanding principal balance of all of the Company's outstanding Client Loans including current, delinquent and restructured Client Loans, and includes principal balance of all Client Loans securitized, assigned, originated on behalf of other institutions or otherwise sold off in respect of which the Company has provided credit enhancements in any form or manner whatsoever, but not Client Loans that have been charged off. It does not include interest receivables and accrued interest
Outstanding Principal Amounts	Means, at any date, the principal amount outstanding under the Debentures
Outstanding Amounts	Means the Outstanding Principal Amounts, together with all interest, fees, costs, commissions, charges, fees of Trustee and other amounts due and payable by the Company under or in respect of the Debenture Trust Deed or any Transaction Document
PAN	Permanent Account Number
Payment Default	Shall mean any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default under Clause 4.2(a) of the Debenture Trust Deed
PAR 90	Shall mean the outstanding principal amounts of all Client Loans that have one or more instalments of principal, interest, penalty interest, fees or any other expected payments past due more than or equal to 91 (Ninety One) days and includes restructured loans.
Person	Shall mean any individual, partnership, joint venture, firm, corporation, association, limited liability company, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof
Private Placement Offer Letter	The offer letter prepared in compliance with Section 42 of the 2013 Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and attached herewith as Annexure VII to this Information Memorandum.
Proceedings	Shall have the meaning given to it in Clause 7(b)(ii) of the Debenture Trust Deed
Promoter	IntelleCash Microfinance Network Co Pvt Ltd
Purpose	For the purpose of augmenting its Tier II capital, the Company has proposed to issue 100 (One Hundred) unsecured, subordinated, rated, listed, transferable, redeemable, taxable, and non-convertible debentures



	each having a face value of INR 10,00,000/- (Indian Rupees Ten Lakh only) and of the aggregate face value of INR 100,000,000/- (Indian Rupees Ten Crores only)
Rating Agency	Means CARE Ratings or any rating agency approved by SEBI for carrying out debt ratings in India
RBI	Reserve Bank of India.
Record Date	The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 3(Three) days prior to any Due Date.
Redemption Installment	Shall have the meaning given to it in Clause 2.8 of the Debenture Trust Deed
Redemption Amounts	with respect to each Debenture shall mean the principal amount of Rs 10,00,000/- (Rupees Ten Lakh only) plus the accrued Interest and Default Interest payable, (if any)
Register of Beneficial Owners	Means the register of beneficial owners of the Debentures maintained in the records of the NSDL or CDSL, as the case may be
Register of Debenture Holders	Means the register maintained by the Company at its registered office and containing the names of the Debenture Holders
R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Integrated Enterprises India Limited
Restructured Portfolio	Means with respect to the Company, the outstanding principal balance of all past due Client Loans that have been renegotiated or modified to either lengthen or postpone the originally scheduled instalments of principal, or to substantially alter the original terms, of such Client Loans
Risk Weighted Assets	Shall be calculated as per the method prescribed in the NBFC Master Circular
ROC	Means the jurisdictional Registrar of Companies
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 issued by SEBI, as amended from time to time.
Special Majority Debenture Holders	Means such number of Debenture Holders collectively holding more than 75% (Seventy Five Percent) of the value of the Outstanding Principal Amounts of the Debentures
Special Resolution	means resolution approved by such number of Debenture Holders that represent more than 75% (Seventy Five Percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 75% (Seventy Five Percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll
Subordinated Debt	Means all funds received by the Company on unsecured basis that rank lower in repayment to other debts, but is senior to equity and that may be accounted for as "Tier II Capital" as defined under the NBFC Master Circular
Tangible Net Worth	Means the net worth (as defined in the Act) of the Company according to the latest available audited balance sheet, net of redeemable capital, intangible assets and deferred tax assets



TDS	Tax Deducted at Source.
Tax	Means any present or future tax, levy, duty, charge, fees, deductions, withholdings, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Law by any Governmental Authority and as maybe applicable in relation to the payment obligations of the company under the Debenture Trust Deed
The Companies Act/ the Act	The Companies Act, 1956 (" 1956 Act ") or where applicable the notified provisions of the Companies Act, 2013 (" 2013 Act ").
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Tier I Capital	Has the meaning ascribed to it in the NBFC Master Circular
Tier II Capital	Has the meaning ascribed to it in the NBFC Master Circular
Total Assets	Means, for any date of determination, the total Assets of the Company on such date, including owned, securitised and managed (non-owned) portfolio
Total Liabilities	Means, for any date of determination, the total Liabilities of the Company on such date
Total Loans	Means the outstanding aggregate principal amount of all Client Loans and other credit facilities provided by the Company, including securitized assets and managed (non-owned) portfolio
Transaction Documents	Shall have the meaning given to it in Clause 2.4(e) of the Debenture Trust Deed
Trust	Shall have the meaning given to it in Clause 2.4(b) of the Debenture Trust Deed
WDM	Wholesale Debt Market segment of BSE



SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS**2.1 ISSUER'S DISCLAIMER**

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.-

As per the applicable provisions, it is not necessary for a copy of this Information Memorandum to be filed or submitted to the SEBI for its review and/or approval. However pursuant to the provisions of Section 42 of the Companies Act 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company undertakes to file the Private Placement Offer Letter with SEBI and the Registrar of Companies (through the online portal provided by the Ministry of Corporate Affairs) within 30 days from the Deemed Date of Allotment as per the provisions of the 2013 Act and the applicable rules thereunder.

This Information Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This Information Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects and no responsibility is accepted by any intermediary involved in this Issue as to the accuracy or completeness of the information contained in this Information Memorandum or any other information provided by the Issuer. Accordingly, all such intermediaries associated with this Issue shall have no liability in relation to the information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Issue. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum and/or the Private Placement Offer



Letter are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum and the respective contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this Information Memorandum being issued have been sent. Any application by a person to whom the Information Memorandum has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Information Memorandum Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies hereof. If any recipient of this Information Memorandum decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum Letter to reflect subsequent events after the date of Information Memorandum and/or the Private Placement Offer Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform themselves of, and to observe, any such restrictions. The Information Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.



2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Information Memorandum has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Information Memorandum to the BSE should not in any way be deemed or construed to mean that this Information Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Information Memorandum. However the Company undertakes to file this Information Memorandum and/or the Private Placement Offer Letter with the Registrar of Companies (through the online portal provided by the Ministry of Corporate Affairs) and SEBI within 30 days from the Deemed Date of Allotment as per the provisions of the 2013 Act and the rules thereunder.

2.4 DISCLAIMER CLAUSE OF THE SOLE ARRANGER

The Issuer hereby declares that it has exercised due-diligence to ensure complete compliance with prescribed disclosure norms in this Information Memorandum and/or the Private Placement Offer Letter. The only role of the Sole Arranger with respect to the Debentures is confined to arranging placement of the Debentures on the basis of this Information Memorandum as prepared by the Issuer. Without limiting the foregoing, the Sole Arranger is not acting, and has not been engaged to act, as an underwriter, merchant banker or other intermediary with respect to the Debentures. The Issuer is solely responsible for the truth, accuracy and completeness of all the information provided in this Information Memorandum and/or the Private Placement Offer Letter. Neither is the Sole Arranger responsible for preparing, clearing, approving, scrutinizing or vetting this Information Memorandum and/or the Private Placement Offer Letter, nor is the Sole Arranger responsible for doing any due-diligence for verification of the truth, correctness or completeness of the contents of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger shall be entitled to rely on the truth, correctness and completeness of this Information Memorandum and/or the Private Placement Offer Letter. It is to be distinctly understood that the aforesaid use of this Information Memorandum and/or the Private Placement Offer Letter by the Sole Arranger should not in any way be deemed or construed to mean that the Information Memorandum and/or the Private Placement Offer Letter has been prepared, cleared, approved, scrutinized or vetted by the Sole Arranger. Nor should the contents of this Information Memorandum and/or the Private Placement Offer Letter in any manner be deemed to have been warranted, certified or endorsed by the Sole Arranger as to the truth, correctness or completeness thereof. Each recipient must satisfy itself as to the accuracy, reliability, adequacy, reasonableness or completeness of the Information Memorandum and/or the Private Placement Offer Letter.

The Sole Arranger has not conducted any due diligence review on behalf or for the benefit of the Debenture Trustee or any of the Debenture Holders. Each of the Debenture Holders should conduct



such due diligence on the Issuer and the Debentures as it deems appropriate and make its own independent assessment thereof.

Distribution of this Information Memorandum and/or the Private Placement Offer Letter does not constitute a representation or warranty, express or implied by the Sole Arranger that the information and opinions herein will be updated at any time after the date of this Information Memorandum and/or the Private Placement Offer Letter. The Sole Arranger does not undertake to notify any recipient of any information coming to the attention of the Sole Arranger after the date of this Information Memorandum and/or the Private Placement Offer Letter. No responsibility or liability or duty of care is or will be accepted by the Sole Arranger for updating or supplementing this Information Memorandum and/or the Private Placement Offer Letter nor for providing access to any additional information as further information becomes available.

Neither the Sole Arranger nor any of their respective directors, employees, officers or agents shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this Information Memorandum or in any other information or communications made in connection with the Debentures.

The Sole Arranger is acting for the Company in relation to the Issue of the Debentures and not on behalf of the recipients of this Information Memorandum and/or the Private Placement Offer Letter. The receipt of this Information Memorandum and/or the Private Placement Offer Letter by any recipient is not to be constituted as the giving of investment advice by the Sole Arranger to that recipient, nor to constitute such a recipient a customer of the Sole Arranger. The Sole Arranger is not responsible to any other person for providing the protection afforded to the customers of the Sole Arranger nor for providing advice in relation to the Debentures.

Each recipient of this Information Memorandum and/or the Private Placement Offer Letter acknowledges that:

- (a) each recipient has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein; and
- (b) such recipient has not relied on the Sole Arranger in connection with its investigation of the accuracy of such information or its investment decision.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Information Memorandum, who shall be specifically approached by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the non-exclusive jurisdiction of the courts and tribunals at Chennai / Kolkata, India. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the



use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.



SECTION 3: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Information Memorandum for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Potential Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

3.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

3.3 CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF DEBENTURES.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to



determine any financial, legal, tax and other implications of this investment.

3.6 ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

3.7 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.8 LEGALITY OF PURCHASE

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

3.9 POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.10 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- (a) All of the loans provided by the Issuer are unsecured and if the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the loan loss reserves are insufficient to cover future loan losses, the financial condition of the Issuer and results of operations may be materially and adversely affected.

All of the loans of the Issuer are unsecured. Non-performing or low credit quality loans can negatively impact its results of operations.

As at June 30, 2016, the gross NPA was 3.13 Crore on a gross portfolio of Rs.799.74 Crores (including managed / securitized portfolio of Rs. 73.89 Crores).

The Issuer cannot assure that the Issuer will be able to effectively control and reduce the level of the impaired loans in its total loan portfolio. The amount of the Issuer's reported non-performing loans may increase in the future as a result of growth in the total loan portfolio, and also due to factors beyond the Issuer's control, such as over-extended member credit that we are unaware of. Failure to manage NPAs or effect recoveries will result in operations being adversely affected.



The Issuer's current loan loss reserves may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of the Issuer's total loan portfolio. As a result, if the quality of the Issuer's total loan portfolio deteriorates the Issuer may be required to increase the loan loss reserves, which will adversely affect the Issuer's financial condition and results of operations. The Issuer's members largely belong to low-income segment and, as a result, might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that the Issuer's monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer is unable to control or reduce the level of its NPAs or poor credit quality loans, the Issuer's financial condition and results of the Issuer's operations could be materially and adversely affected.

(b) Microcredit lending poses unique risks not generally associated with other forms of lending in India, and, as a result, the Issuer may experience increased levels of NPAs and related provisions and write-offs that negatively impact results of operations.

The Issuer's core mission is to provide loans to fund the small businesses and other income generating activities of members. Issuer's members are typically low-income earning and illiterate women living in urban India, who have limited sources of income, savings and credit histories, and who cannot provide us with any collateral or security for their borrowings. Issuer also disburses loans to members in the event of emergencies, such as pregnancy, funerals and natural disasters. Any downturn in the area of activity by members could adversely affect the ability of members to make loan repayments on time and in turn negatively impact the Issuer's operations. As a result, Issuer's members pose a higher risk of default than borrowers with greater financial resources and more established credit histories and borrowers living in urban areas with better access to education, employment opportunities, and social services. In addition, Issuer relies on non-traditional guarantee mechanisms in connection with loan products, which are generally secured by informal individual and group guarantees, rather than tangible assets. As a result, loan products pose a higher degree of risk than loans secured with physical collateral. Due to the precarious circumstances of members and non-traditional lending practices the Issuer may, in the future, experience increased levels of non-performing loans and related provisions and write-offs that negatively impact its business and results of operations. Although the Issuer has separated sales from credit risk department, with the objective of ensuring better credit evaluation of the customer, and credit enhancement happens by way of guarantee of loan to an individual member of a group by all the other members of the group such that the ability to repay the loan is taken care of by internal credit evaluation and intention to repay is taken care of by the mutual guarantee of group members, there can be no assurance that the credit evaluation and credit enhancement measures and initiatives undertaken by, and for the benefit of, the Issuer will be successful in maintaining or improving the quality of the Issuer's loan portfolio.

(c) Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.

Non Banking Financial Companies in India are subject to strict regulation and supervision by the RBI. The Issuer requires certain approvals, licenses, registrations and permissions for operating, including registration with the RBI as a non deposit taking NBFC (NBFC-ND). Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not



be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. In addition, branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, business may be adversely affected. If the Issuer fails to comply, or a regulator claims that the Issuer has not complied with any of these conditions, its certificate of registration may be suspended or cancelled and the Issuer shall not be able to carry on such activities.

- (d) **Issuer may be required to increase capital ratio or amount of loan loss reserves, which may result in changes to business and accounting practices that would harm business and results of operations.**

The Issuer is subject to the RBI minimum capital to risk weighted assets ratio regulations. Pursuant to Section 45-IC of the RBI Act, 1934, every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20.0% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. The Issuer is also required to maintain a minimum capital adequacy ratio of 15.0% in relation to aggregate risk-weighted assets and risk adjusted assigned loans.

The RBI may also in the future require compliance with other financial ratios and standards. Compliance with such regulatory requirements in the future may require alteration of its business and accounting practices or take other actions that could materially harm its business and operating results.



SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the yearended 31.03.2016 are set out in **Annexure** Vhereto.



SECTION 5: REGULATORY DISCLOSURES

The Information Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per Schedule I of the SEBI Debt Listing Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted to the BSE:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of last 3 (Three) years audited Annual Reports;
- (c) Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories;
- (d) Certified true copy of the resolution passed by the Company at the Extra Ordinary General Meeting held on August 22, 2016 authorising the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR - 13,500,000,000 (Indian Rupees Thirteen Hundred and Fifty Crores only)
- (e) Certified true copy of the resolution passed by the Company at the – Annual General Meeting held on August 22, 2016 authorising the Company to issue non-convertible debentures to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 10,00,00,000/- (Indian Rupees Ten Crores only);.
- (f) Any other particulars or documents that the recognized stock exchange may call for as it deems fit.

5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the Debentures:

- (a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (b) Copy of last 3 (Three) years audited Annual Reports;
- (c) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- (d) An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in the Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual results. Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (Two) working days of their specific request.



5.3 Name and Address of Registered Office of the Issuer

Name: Arohan Financial Services Private Limited

Registered Office of Issuer: PTI Building, 4th Floor, Block DP, DP-9, Sector V, Salt Lake City, Kolkata – 700091

Corporate Office of Issuer: PTI Building, 4th Floor, Block DP, DP-9, Sector V, Salt Lake City, Kolkata – 700091

Compliance Officer of Issuer: Mr. Vanita Mundhra

CFO of Issuer: Mr. Milind Nare

Corporate Identification Number: U74140WB1991PTC053189

Contact Person: Mr. Vanita Mundhra

Auditors of the Issuer: Walker Chandiok & Co LLP

Trustee to the Issue: Catalyst Trusteeship Limited

Registrar to the Issue: Link Intime India Pvt Ltd
C-13, Pannalal, Silk Mills Compound,
L B S Marg,
Bhandup (west)
Mumbai- 400078
Maharashtra, India

Credit Rating Agency for the Issue: CARE Ratings

5.4 A brief summary of business / activities of the Issuer and its line of business:

(a) OVERVIEW

Arohan Financial Services Private Limited (Arohan) is a non-deposit taking NBFC registered with the Reserve Bank of India.

MAIN OBJECTS AND BUSINESS OF THE ISSUER

Arohan Financial Services Pvt. Ltd. ("Arohan") is a Microfinance Institution (MFI) that was set up in January 2006 as an NBFC and started its operations in April 2006 in Kolkata. It was founded by Mr. Shubhankar Sengupta-. Since its inception, Arohan has raised funds from social investors (institutional and individuals) including Bellwether Microfinance Trust, Michael & Susan Dell Foundation (MSDF) and Lok Capital. In Sep'12, Intellecash (an incubation & capacity building company in the microfinance sector & part of the Intellec Group) backed by Aavishkaar Goodwell and other existing investors invested INR 27 Cr additional equity and took a 56% stake in Arohan.

Unlike many other MFIs that primarily cater to the rural population, Arohan's focus was to provide financial services to the urban and semi-urban poor, however, since the beginning of Calendar Year (CY) 2010, Arohan has been lending to borrowers in rural areas as well.



Arohan offers a basket of financial services to economically backward women and men which suit their requirements. Its key focus is the group loan, for which it replicates the Grameen Bank model of lending. The company has operations in West Bengal, Bihar and Assam.

PRODUCT DETAILS

A. Product details

Arohan's customized lending products have been designed to meet their client's unique needs - from loan size to repayment conditions. For its 'Saral' loan, Arohan uses a five-member group-lending model - the Joint Liability Group (JLG) model. Two to six such groups form a center. The group is formed by the borrowers in that area with similar socio-economic background, given the criteria of no blood relations in the same group, nearby residence of the members in the same group and belonging to the age group of 21-50 years. Only one loan from Arohan is permitted per family, moreover the member should be residing in the same place for at least three years. Disbursements are made in cash at the branch office to the entire group on one of the designated disbursement days. Collections are made during monthly centre meetings.

This loan ranges from USD 200 - 300 (INR 10,000 - 15,000), and is repaid 12 months for the monthly product.

'Bazaar' loans are group loan products offered to address the working capital needs of daily market vendors, operating out of authorized market places. For 'Bazaar' loans, there is no centre formation - groups of three to five stall owners in the market-place are formed. It is compulsory for the group members to have businesses within the market, located close to each other. The loan appraisal and sanction process for 'Bazaar' loans is similar to that in case of 'Saral' loans. Bazaar clients do not have meetings; the monthly installments are collected by the FO from the respective group leaders. The borrowers in case of 'Bazaar' loans are typically involved in small trading and micro-enterprises with daily or weekly cash flows.

Arohan's newest product, the 'Pragati' loan is an individual lending product tailored for small entrepreneurs in the manufacturing or services sector. The 'Pragati' product is customized for entrepreneurs with a successful track record of 3 years or more, in the manufacturing or service industry. It gives these proven business owners the opportunity to take a loan amount that is tailored for their specific business requirements, such as equipment or raw material purchase.

The loan sizes range from USD 800 - 4,000 (INR 40,000 - 200,000) to help facilitate larger business investments. The Pragati team works closely with clients to understand their business preparedness, the loan documents and monitor their progress over the loan tenure. In this regard, Arohan is a true partner working alongside clients to help generate an increased profit from their business, while also minimizing credit risk. Arohan also provides credit-linked life insurance products for its clients, which protects the MFI from loss on account of death of the client. In case of death of the client's spouse, the loan is written off.

Loan Product	Loan Tenure	Interest Rate	Loan Amount
Saral Monthly	12 months	24.99%	10000-20000
Saral Monthly Plus	18-24 Months	24.99	25000-50000
Bazar Monthly	12 months	24.99	10000-20000
Bazar Monthly Plus	18- 24 Months	24.99	25000-50000



Pragati Premium	12-24Months	26.99%	50000-200000
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B. Processes

Arohan operates with standard Grameen lending model where the group size is five and the size of centre ranges anywhere between fifteen to twenty members. An informal meeting of the potential group is conducted, to introduce them to the rules and procedures. This is followed by customer assessment visits carried out by the Field Officer (FO), where the FO visits the potential customer's house.

Once eligibility is confirmed, compulsory group training (CGT) is provided by the FO, spread over three days and on the fourth day, group recognition test (GRT) is conducted by the Branch Manager.

For second and subsequent cycles, at least one day of CGT is required and GRT is also required to be conducted.

The photograph and KYC documents of the client are collected during the second day of CGT, and the loan application form is also filled on this day. Customer household details and basic cash flow information is captured in the customer information sheet and also in the MIS.

Disbursement is done at the branch in the presence of all the members. Prior to disbursement, the client's identity is cross-checked with the photograph that is attached to the loan application form.

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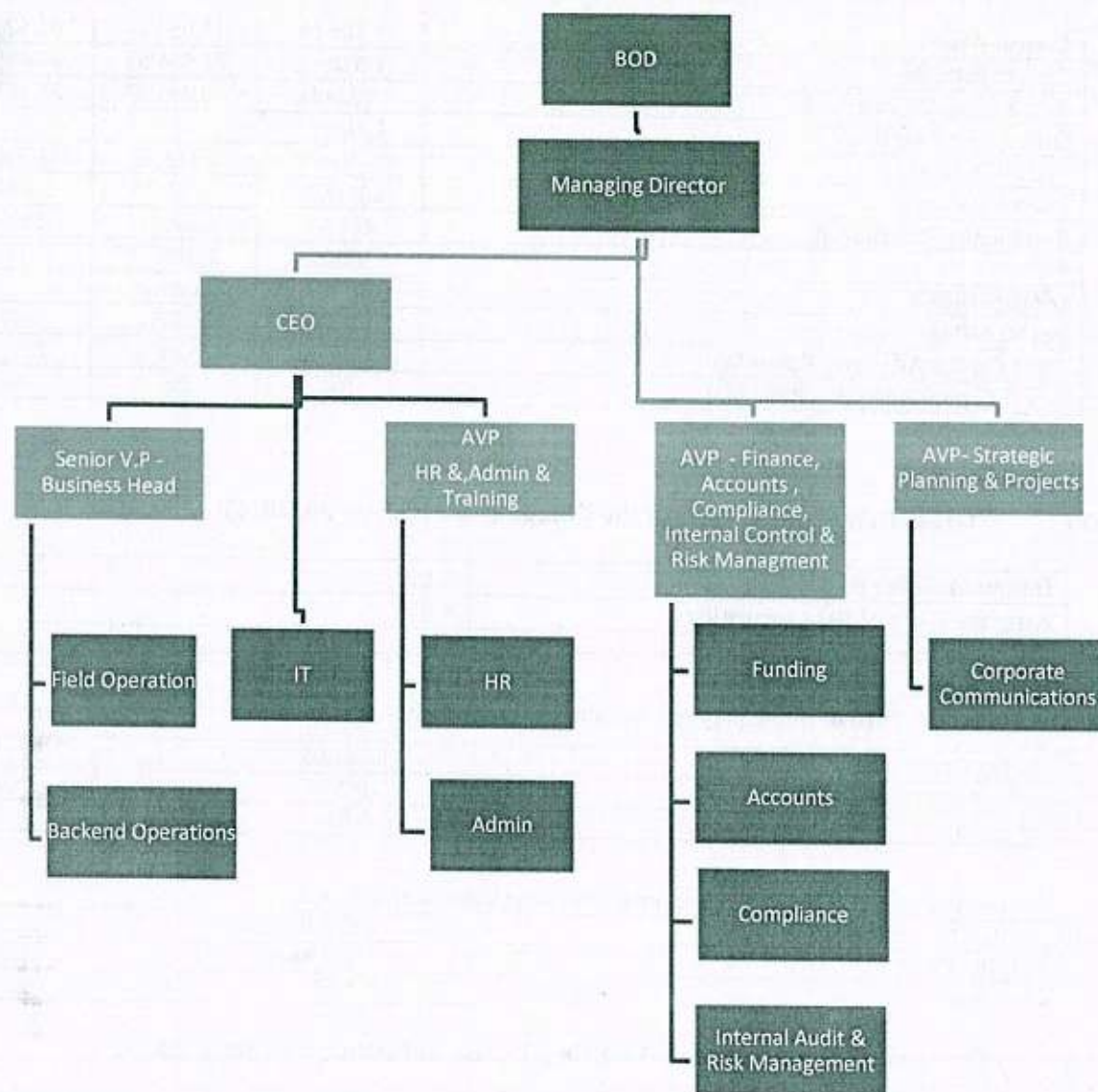
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OUTSTANDING LITIGATION

There is no outstanding litigation pending against the Issuer which may have any material adverse effect on its business prospects or financial condition.

(b) CORPORATE STRUCTURE





- (a) **Key Operational and Financial Parameters for the last 3 audited yearson a consolidated basis (wherever available) else on a standalone basis.**

In Lakhs	Audited	Audited	Audited
	31-Mar-14	31-Mar-15	31-Mar-16
Net worth	6,734.58	13,804.38	16,022.26
Total Debt	14,666.58	36,534.07	56,492.9
- Non current maturities of long term Borrowings	3,386.88	11,943.24	23,556.98
- short term borrowings	1,115.08	185.90	41.78.01
- Current maturities of long term Borrowings	10,164.62	24,404.94	28,680.61
Net Fixed Assets	131.51	171.71	233.84
Non-Current Assets	1,026.30	6,688.21	14,423.23
Cash and Cash equivalents	5,205.59	12,049.89	8,262.71
Current investments	-	100.00	-

Current Assets	1,106.08	45,057.49	58,523.95
Current liabilities	1,530.34	25,961.58	28,680.61
Assets Under Management	19025.80	36,453.53	58,601.95
Off balance sheet assets	3,563.77	-	-
Interest income	2,799.27	7,118.72	11,340.72
Interest Expense	1,290.24	3,556.19	5,909.23
Provisioning & write Offs	121.47	209.91	287.48
PAT	306.22	1,089.74	2,165.4
Gross NPA (%)	0.37%	0.29%	
Net NPA (%)	0.37%	0.00%	0.41%
Tier I Capital Adequacy Ratio (%)	37.10%	35.88%	25.02%
Tier II Capital Adequacy Ratio (%)	Nil	Nil	Nil

(b) **Gross Debt:Equity Ratio of the Company (as of June 30, 2016):**

Before the issue of debt securities	3.89
After the issue of debt securities	3.67

Calculations:

As on June 30, 2016 debt-to-equity ratio is calculated as follows:-

Debt (Rs Cr)	644.06
Equity (Rs Cr)	165.46
Debt/Equity	3.89

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:-

Debt(Rs Cr)	644.06
Equity(Rs Cr)	175.46
Debt/Equity	3.67

(c) **Project cost and means of financing, in case of funding new projects: N.A.**

Not Applicable. The proceeds of issuance of the Debentures will be applied to finance the Issuer's customers for income generating activity.

5.5 Brief history of Issuer since its incorporation giving details of its following activities:

a) Details of share capital as of June 30, 2016

Share Capital	Rs.
Authorised	
52,070,470 Equity shares of Rs 10/- each	520,704,700
9,176,660 Preference shares of Rs 20/- each	183,533,200
TOTAL	704,237,900
Issued, Subscribed and Fully Paid- up	
51,770,470 Equity shares of Rs 10/- each	517,704,700
9,176,660 compulsorily convertible preference shares of Rs 20/- each	183,533,200
TOTAL	701,237,900

b) Changes in capital structure as of June 30, 2016 for the last five years



Date of Change (AGM/EGM)	Authorised Capital in Rs.	Particulars
07-May-2010	300,000,000	Authorised share capital increased from 120,000,000
31-Jul-2012	350,000,000	Authorised share capital increased from 300,000,000
19-Sept-2013	450,000,000	Authorised share capital increased from 350,000,000
19-Mar-2015	704,237,900	Authorised Share Capital increased from 450,000,000

c) Equity share capital history of the Company as of June 30, 2016 for the last five years

Date of Allotment	Name of Investor	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs in Crore)
23-Jun-10	Michael & Susan Dell Foundation	404354	10	50	Cash	Fresh Share	404354	0.4	1.62
23-Jun-10	Lok Capital LLC	404354	10	50	Cash	Fresh Share	404354	0.4	1.62
23-Jun-10	Swaminathan Aiyar	266666	10	38	Cash	Fresh Share	266666	0.27	0.73
23-Jun-10	India Financial Inclusion Fund	2157958	10	50	Cash	Fresh Share	2157958	2.16	8.63
23-Jun-10	Bellwether Microfinance Fund Pvt. Ltd.	133334	10	38	Cash	Fresh Share	133334	0.13	0.37
23-Jun-10	Shubhankar Sengupta	875000	10	10	Cash	Fresh Share	875000	0.88	0
23-Jun-10	Arohan ESOP Trust	825000	10	10	Cash	Fresh Share	825000	0.83	0
10-Sep-12	IntelleCash Microfinance Network Co Pvt Ltd	1256922	10	13	Cash	Fresh Share	12569222	12.57	3.63
10-Sep-12	Aavishkaar Goodwill India Microfinance Development Company	4973858	10	13	Cash	Fresh Share	4973858	4.97	1.44
10-Sep-12	Aavishkaar Venture Management Services Private Limited	6225	10	13	Cash	Fresh Share	6225	0.01	0
10-Sep-12	Michael & Susan Dell Foundation	2133437	10	13	Cash	Fresh Share	2133437	2.13	0.62
10-Sep-12	India Financial Inclusion Fund	930954	10	13	Cash	Fresh Share	930954	0.93	0.27
10-Sep-12	Manoj Kumar Nambiar	193949	10	13	Cash	Fresh Share	193949	0.19	0.06
30-Mar-13	Geeta Nambiar	1000	10	13	Cash	Fresh Share	1000	0	0
30-Mar-13	Shree Ravindranathan	1000	10	13	Cash	Fresh Share	1000	0	0
30-Mar-13	Nalini Agrawal	100	10	13	Cash	Fresh Share	100	0	0
30-Mar-13	Preeti Jha	1002	10	13	Cash	Fresh	1002	0	0



13						Share			
30-Mar-13	KalpnaBhushan	1000	10	13	Cash	Fresh Share	1000	0	0
26-Sep-13	AavishkaarGoodwell India Microfinance Development Company	9178312	10	20	Cash	Fresh Share	9178312	9.18	9.54
27-Sep-13	Aavishkaar Venture Management Services Private Limited	11487	10	20	Cash	Fresh Share	11487	0.01	0.01
4-Oct-13	Michael & Susan Dell Foundation	1373189	10	20	Cash	Fresh Share	1373189	1.37	1.43
4-Oct-13	Swaminathan Aiyar	150000	10	20	Cash	Fresh Share	150000	0.15	0.16
31-Mar-14	Manoj Kumar Nambiar	193949	10	13	Cash	Fresh Share	193949	0.19	0.06
1/10/2015	Intelle Cash Microfinance Network Co Pvt.Ltd.	168207	10	21.2	Cash	Fresh Issue	168207	0.17	0.19
29-04-2014	Jaydeep Chakraborty	30000	10	13.74	Cash	Transfer	30000	0.03	0.01
30-06-2014	Manoj Kumar Nambiar	54043	10	16.23	Cash	Fresh Issue	54043	0.05	0.03
13-07-2015	Manoj Kumar Nambiar	178387	10	21.2	Cash	Transfer	178387	0.18	0.20
29-11-2014	Madhu Murthy	30807	10	16.23	Cash	Fresh Issue	30807	0.03	0.02
30-06-2014	ShubhankarSengupta	13510	10	16.23	Cash	Fresh Issue	13510	0.01	0.01
13-07-2015	ShubhankarSengupta	44597	10	21.2	Cash	Transfer	44597	0.04	0.05
01-10-2015	ShubhankarSengupta	5000	10	16.23	Cash	Exercise of ESOP	5000	0.01	0.00
01-10-2015	ShubhankarSengupta	25000	10	13.74	Cash	Exercise of ESOP	25000	0.03	0.01
29-04-2014	Arohan ESOP TRUST	-30000	10	13.74	Cash	Transfer	-30000	-0.03	-0.01
13-07-2015	Arohan ESOP TRUST	-178387	10	21.2	Cash	Transfer	-178387	-0.18	0.20
13-07-2015	Arohan ESOP TRUST	-44597	10	21.2	Cash	Transfer	-44597	-0.04	0.05
1/10/2015	Arohan ESOP TRUST	-5000	10	16.23	Cash	Transfer	-5000	-0.01	0.00
1/10/2015	Arohan ESOP TRUST	-25000	10	13.74	Cash	Transfer	-25000	-0.03	-0.01

a) Details of any Acquisition or Amalgamation in the last 1 year: Nil

b) Details of any Reorganization or Reconstruction in the last 1 year: Nil

6.5.1 DETAILS OF THE SHAREHOLDING OF THE ISSUER AS ON LAST QUARTER END

a) Shareholding Pattern of the Company as on June 30, 2016:

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Number of share in Demat Form	% of shareholding
1.	IntelleCash Microfinance Network Co Pvt Ltd	Equity	18,067,494	18,067,494	34.90%



2.	AavishkaarGoodwell India Microfinance Development Company	Equity	14,152,170	0	27.34%
3.	Aavishkar Venture Management Services Private Limited	Equity	17,712	17,712	0.03%
4	Michael & Susan Dell Foundation	Equity	4,460,980	4,460,980	8.62%
5	India Financial Inclusion Fund	Equity	3,088,912	3,088,912	5.97%
6	Tano India Private Equity Fund II (Equity)	Equity	9,176,660	0	17.73%
7	ShubhankarSengupta	Equity	683,823	683,823	1.32%
8	Manoj Kumar Nambiar	Equity	710,328	710,328	1.37%
9	Arohan ESOP Trust	Equity	622,916	0	1.20%
10	Others	Equity	789,475	0	1.52%
	Total Equity Shares		51,770,470		100%

b) List of top 10 equity shareholders of the Company as of June 30, 2016

Sr No.	Shareholder	Class	No of Shares	% holding	No. of Shares held in Demat form
1	Intellectcash Microfinance Network	Equity	18,067,494	34.90%	18,067,494
2	AavishkaarGoodwell India Microfinance Development Company	Equity	14,152,170	27.34%	0
3	Tano India Private Equity Fund II (Equity)	Equity	9,176,660	17.73%	0
4	Michael & Susan Dell Foundation	Equity	4,460,980	8.62%	4,460,980
5	India Financial Inclusion Fund	Equity	3,088,912	5.97%	3,088,912
6	Manoj Kumar Nambiar	Equity	710,328	1.37%	710,328
7	ShubhankarSengupta	Equity	683,823	1.32%	683,823
8	Arohan ESOP Trust	Equity	622,916	1.20%	0
9	Swaminathan Aiyar	Equity	578,666	1.12%	0
10	ChandanPhukan	Equity	32,200	0.06%	0

6.5.2 DETAILS OF THE DIRECTORS OF THE ISSUER

a) Details of the current directors of the Company



S. N o.	Name of the Director s	Design ation	Date of Birth	Address	DIN	PAN	Director of the compan y since	Director in other company
1	Manoj Kumar Narayan Nambiar	Managi ng Director (Execut ive Director)	18-Apr-65	8, Godavari, Sector-3, Vashi, Navi Mumbai, 400703, Maharashtra, India	03172 919	AAAPN7 851Q	3-Oct-12	Intellecash Microfinance Network Company Pvt. Ltd., Intellecap Software Technologies Pvt. Ltd.
2	Anurag Agrawal	Director	12-Feb-78	Sn 14 / 94 Agrawal Kunj, Sarnath, Varanasi, 221007, Uttar Pradesh, India	02385 780	AFTPA7 676J	3-Oct-12	Intellectual Capital Advisory services Pvt. Ltd., Intellecash Microfinance Network Company Private Ltd., Jain Sons Fin lease Ltd
3	Vineet Chandra Rai	Director	17-Jun-71	101-D Wing, Bldg.No.6, Emp 48 Halley, Evershine, Thakur Village, Kandivali (E), Mumbai, 400101, Maharashtra, India	00606 290	ABUPR9 400L	24-Oct-13	Aavishkar Venture Management services Private Ltd, Aavishkar Venture Trustees Pvt Ltd, JainsonsFinlease Ltd, Electronic payment& services Pvt ltd,, SwarnaPragati Housing microfinance Pvt Ltd, Connect India E-Commerce Services Private Ltd, Intellectual Capital Advisory services Pvt. Ltd, Vaatsalya Health Care Solutions Pvt Ltd, Aavishkaar Capital Advisors LLP.
4	Sushma Keshava murthy Kaushik	Director	23-Oct-79	B 82 , Brookhaven Apartment,, JvlrJogeshwari (East), Mumbai, 400060, Maharashtra, India	05142 705	ALUPK4 376L	3-Oct-12	Belstar Investment and Finance Pvt Ltd, Desert Artisans Handicrafts Bhuj Ltd, Intellecash Microfinance Network Co. Pvt Ltd., Intellecap Advisory Services Private Ltd., Utkarsh Microfinance Ltd.
	Sumantra Banerjee	Indepen dent Director	31-Dec-49	2C, Alipore Avenue, Kolkata-700027, West Bengal, India	00075 243	AACP B4 480B	29-Apr-14	Noida Power Company Ltd., Hilltop Holdings India Ltd., Jubilee Investments&Industr iesLtd., The Bengal Club Ltd., Myriad



5								Ventures Pvt. Ltd.
6	Rajat Mohan Nag	Independent Director	12-Sep-48	B-3/602, World Spa West, Sector 30, Gurgaon-122001, India	07083 831	AJOPN2 511Q	31-Jan-15	Partners for Transparency Foundation India
7	Piyush Goenka	Director	22-Jul-77	4B, Neelamber, 37, Pedder Road, Mumbai, Cumballa Hill, Maharashtra-400026.	02117 859	ACZPG3 2344E	31-Mar-15	JHS Svendgaard Hygiene Products Limited, JHS Svendgaard Laboratories Ltd., MSH Sarees Pvt. Ltd.
8	Kailash Chand Vaid	Director	19-Sep-62	Flat No.3A, Dakhina, Tolly Gardens, 340 NSC Bose road, Bansdrani, Kolkata-700 047	07339 850	AAVPV5 079R	21-Dec-2015	Bandhan Financial Services Ltd.

***Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: NIL**

b) Details of change in directors since the last three years

Name	Designation	DIN	Date of Appointment/Resignation	Director of the Company since (in case of resignation)
Sumantra Banerjee	Independent director	00075243	29/04/2014	NA
Bhaskar Sen	Independent director	03193003	15/02/2016	23/01/2014
Satyam Darmora	Additional director	02203031	13/11/2014	24/10/2013
Vineet Chandra Rai	Director	00606290	24/10/2013	NA
Geeta Dutta Goel	Director	02277155	21/10/2013	07/04/2008
Anurag Agrawal	Director	02385780	03/10/2012	NA
Manoj Kumar Narayan Nambiar	Managing director	03172919	03/10/2012	NA
Sanjib Kumar Jha	Director	03409208	01/11/2015	03/10/2012
Sushma Keshavamurthy Kaushik	Director	05142705	03/10/2012	NA
Sanjib Kumar Jha	Director	02277191	20/09/2012	04/07/2008
Shubhankar Sengupta	Director	250911	1/11/2015	1/10/2012
Shubhankar Sengupta	Managing director	250911	1/10/2012	16/03/2006
Vishal Bharat	Director	2610428	20/09/2012	3/7/2009
Vishal Mehta	Director	256331	22/06/2012	4/9/2009
Vidyananda Jha	Director	00250814	25/07/2014	16/03/2006
Rajat Mohan Nag	Independent	07083831	31/1/2015	NA



	Director			
Piyush Goenka	Director	02117859	1/4/2015	NA
Kailash Chand Vaid	Nominee Director	07339850	21/12/2015	NA

6.5.3 DETAILS OF THE AUDITORS OF THE ISSUER

a) Details of the auditor of the Company

Name	Address	Auditor since	Remark
Walker, Chandio & Co	7 th Floor, Block III, White House, KundanBagh, Begumpet, Hyderabad- Pin 500016	25 th June, 2013	None

b) Details of change in auditor in the last 3 years

Name	Address	Date of appointment / resignation	Auditor since	Remark
Mookherjee Biswas & Pathak	5 & 6 Fancy Lane, Kolkata 700001	Resigned on 3 rd June 2013	23.09.2006	Nil

6.5.4 DETAILS OF THE BORROWINGS OF THE ISSUER, AS ON THE LATEST QUARTER END

a) Details of secured loan facilities as of June 30, 2016

Sl. No.	Lender	Cummulative Sanctioned Amount (In Cr)	Type of facility	Principal Amount Outstanding (In Cr)	Primary Security(book debt hypothecation)	Percentage of Cash Collateral
1	Axis Bank	26.80	Term Loan	20.13	100%	5%
2	Bank Of Maharashtra	8.00	Term Loan	1.13	105%	10%
3	BhartiyaMahiyala Bank	2.00	Term Loan	1.00	110%	10%
4	BNP	15.00	Term Loan	6.25	100%	5%
5	DCB	20.00	Term Loan	15.66	100%	5%
6	HDFC	45.40	Term Loan	35.96	100%	5%
7	IDBI	75.00	Term Loan	60.90	110%	0%



8	Ratnakar	44.00	Term Loan	29.57	110%	5%
9	Yes Bank	60.00	Term Loan	21.00	100%	10%
10	Kotak	20.00	Term Loan	12.50	100%	12.50%
11	Standard Chartered	42.00	Term Loan	39.75	100%	15%
12	UCO	5.00	Term Loan	1.46	125%	10%
13	Union Bank	10.00	Term Loan	6.39	110%	20%
14	Vijaya	10.00	Term Loan	8.10	110%	10%
15	State Bank Of India	10.00	Term Loan	7.51	100%	25%
16	SberBank	10.00	Term Loan	5.00	110%	5%
17	IDFC Ltd	25.00	Term Loan	20.24	105%	5%
18	Corporation Bank	5.00	Term Loan	5.00	115%	0%
19	South Indian bank	25.00	Term Loan	20.67	100%	12.50%
20	Murda	25.00	Term Loan	4.24	100%	5%
21	UBI	10.00	Term Loan	10.00	110%	10%
22	Federal	10.00	Term Loan	9.56	110%	10%
23	BOB	20.00	Term Loan	16.40	105%	10%
26	IFMR	30.00	Term Loan	30.00	100%	5%
27	Maanaveeya	12.00	Term Loan	1.50	105%	0%
28	Reliance	15.00	Term Loan	1.54	100%	7.50%
29	SIDBI	20.00	Term Loan	14.81	100%	2.50%
30	Bellwether	7.75	Term Loan	1.92	110%	0%
31	Capital First	55.00	Term Loan	38.33	125%	0%
32	L & T Finance	35.00	Term Loan	18.29	110%	10%
33	Housing Development FC	30.00	Term Loan	18.27	110%	5%
34	Hero Fincorp	15.00	Term		120%	0%



			Loan	15.00		
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b) Details of unsecured loan facilities as of June 30, 2016

Lender's Name	Type of Facility	Amount Sanctioned(In Cr)	Principal Amount Outstanding (In Cr)	Repayment Date/Schedule
GeetaNambiar	Unsecured Loan	0.47	0.34	Yearly
ManojNambiar	Unsecured Loan	0.44	0.22	Yearly
Shraddha Srimal	Unsecured Loan	0.20	0.20	Yearly
Nalini Agarwal	Unsecured Loan	0.40	0.60	Yearly
Amit Dutta	Unsecured Loan	0.1	0.10	Yearly
KalpanaBhushan	Unsecured Loan	0.5	0.20	Yearly

c) Details of non-convertible debentures as of June 30, 2016

Name	Debenture Series	Tenor/Period of Maturity	Coupon (Rate of Interest)	Sanctioned Amount (Rs in Crores)	Amount outstanding (Rs in crores)	Date of allotment	Redemption on Date/ Schedule	Credit Rating (Current)	Secured/ Unsecured	Security
AAV Sarl	1-581	1595 days	14.75%	29.05	29.05	2nd July 2014	13th Nov 2018	BBB by CARE Ratings	Secured	Book debt
Microfinance Initiative for Asia (MIFA)	1-150	1096 days	15.00%	15	15	18th July 2014	18th July 2017	BBB by CARE Ratings	Secured	Book debt
CBO IV (Ratnakar Bank Ltd)	1-150	912 days	11.88%	15	4	31st July 2014	28th Jan 2017	A (SO) by ICRA	Secured	Book debt
CBO III (Mahindra & Mahindra Finance)	1-75	731 days	12.51%	7.5	0.94	16th Sept 2014	16th Sept 2016	A- (SO) by ICRA	Secured	Book debt
CBO V(Hinduja)	1-150	731 days	12.73%	15	3.13	2nd Dec 2014	2nd Dec 2016	BBB+ (SO) ICRA	Secured	Book debt
CBO VI (Mahindra)	1-100	731 days	12.51%	10	2.92	23rd Jan 2015	23rd Jan 2017	A- (SO) by ICRA	Secured	Book debt
CBO VII (Hinduja)	1-100	731 days	12.73%	10	3.75	23rd March 2015	23rd March 2017	BBB+ (SO) ICRA	Secured	Book debt
CBO IX	1-30000	550 days	11.84%	15	6.56	24th July 2015	24th Jan 2017	A (SO) by ICRA	Secured	Book debt
ResponsAbility	1-333	2192 days	14.30%	33	33	18 th Dec 2015	18 th Dec 2021	BBB+ by CARE	Secured	Book debt
MIFA	1-200	1461 Days	13.91%	20	20	27 th Jan, 2016	27 th Jan, 2021	BBB+ by CARE	Secured	Book Debt
MIFA	1-260	1461 Days	13.52%	26	26	28th Apr, 2016	28th Apr, 2020	BBB+ by CARE	Secured	Book Debt



d) List of top 10 debenture holders as of June 30, 2016

Name of Debentureholders	Amount outstanding (Rs in crores)
AAV Sarl	29.05
Microfinance Initiative for Asia (MIFA)	61.00
CBO IV (Ratnakar Bank Ltd)	4.00
CBO III (Mahindra & Mahindra Finance)	0.94
CBO V (Hinduja)	3.13
CBO VI (Mahindra)	2.92
CBO VII (Hinduja)	3.75
CBO IX	6.56
ResponsAbility	33.00

The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued. (if any) - INR 75,00,000 with IndusInd Bank towards partnership agreement.

e)

f) Details of Commercial Paper NIL

g) Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on June 30, 2016

Party Name (In case of Facility/Instrument Name)	Type of Facility/Instrument	Amount Sanctioned/Issued (in crores)	Principal Amount Outstanding	Repayment Date/Schedule	Credit Rating	Secured/Unsecured	Security
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

h) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the company, in the past 5 years NIL

i) Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option NIL

6.5.5 DETAILS OF PROMOTERS OF THE ISSUER, AS ON THE LATEST QUARTER END



Sr No	Name of the shareholders	Total No of Equity shares	No .of shares in Demat form	Total shareholding as % of total no of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned
1	IntelleCash Microfinance Network Co Pvt Ltd	18,067,494	18,067,494	34.90%	NIL	NIL

6.5.6 ABRIDGED VERSION OF AUDITED CONSOLIDATED (WHEREVER APPLICABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENTS, BALANCE SHEET AND CASH FLOW STATEMENT) FOR AT LEAST LAST THREE YEARS AND AUDITOR QUALIFICATIONS, IF ANY

Note: Financial Information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no.SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009

Profit & Loss Statement (in Rs. Mn)	FY 2013 -2014	FY 2014 – 2015	FY 2015 – 2016
Income			
Interest on loans	279.92	648.83	1134.07
Other Financial Income	43.30	63.04	71.41
Other Income	24.05	33.71	102.17
Total Income	347.27	745.58	1,307.65
Expenditure/ Cost of Sales			
Personnel Expenditure	87.58	143.78	230.33
Provisioning & write off Expenditure	12.9	20.99	22.15
Depreciation and Amortization	3.87	3.90	8.63
General and Administrative Expenditure	50.38	63.77	145
Total Expenditure	154.73	232.43	376.33
Operating Profit before Interest		513.15	931.32
Interest	148.50	355.62	590.92
Operating profit/ (Loss) after Interest	148.50	157.53	340.40
Net non-operating income/expenses	0	-	8.63
Profit Before Tax	44.05	157.53	331.77
Income Tax	13.42	48.55	115.23
Net Profit	30.63	108.97	216.54
Equity Dividend paid	0	-	-
Retained Profit	30.63	108.97	216.54
Balance Sheet (in INR mn)			
Liabilities			
Current Liabilities			
Short Term borrowings from banks	70	3.59	246.75
Short term borrowings from others	41.5	15.00	-
Other Current Liabilities	153.03	2,577.57	7.64
Total Current Liabilities		2,596.16	254.39
Total Term Liabilities	1355.15	1,197.97	5,406.62
Total Liabilities	1619.68	3,794.13	5,661.00
Ordinary Share Capital	406.74	691.65	693.878
Reserves & Surplus	266.71	688.79	904.62
Legal reserves	-	-	-
Other Capital	-	-	-



Net Worth	673.45	1,380.44	1598.49
Total Equity & Liabilities	2293.13	5,174.57	7,259.50
		-	
Assets		-	
Current Assets		-	
Cash and Bank balances	520.55	1,204.99	605.75
Gross Receivables	1546.20	3,645.35	6675.57
Less : Loan Loss Reserve	0	-	58.60
Net Receivables	1546.20	-	6,616.97
Other Current Assets	110.61	135.80	237.25
Total Current Assets		-	6,644.59
Fixed Assets - Gross Block	15.12	22.07	32.68
Depreciation	8.38	11.78	18.71
Fixed Assets - Net Block	6.74	10.29	13.97
Net Intangible Assets	4.99	4.96	31.73
Capital Work in Progress	1.42	1.92	
Investments	0.5	11.10	530.73
Other Non-Current assets	97.20	147.05	38.47
Deferred Tax Assets	4.92	13.11	
Total Non-Current Assets		-	614.90
Total Assets	2293.13	5,174.57	7259.50

6.5.7 ABRIDGED VERSION OF LATEST AUDITED / LIMITED REVIEW HALF YEARLY CONSOLIDATED (WHEREVER APPLICABLE) AND STANDALONE FINANCIAL INFORMATION (LIKE PROFIT & LOSS STATEMENTS AND BALANCE SHEET) AND AUDITOR QUALIFICATIONS, IF ANY

[Note: Financial Information submitted must be in line with the timelines specified in the Simplified Listing Agreement, issued vide Circular no.SEBI/IMD/BOND/1/2009/11/05, dated May 11, 2009]

Profit and Loss Statement (in INR)	For the period ended
	31-Mar-16
Revenue from Operations	1,204.08
Other Income	102.17
Total Revenue	1,307.65
Expenses:	
Employee benefits expense	230.33
Finance costs	590.92
Depreciation and amortisation	8.63
Provision for loan portfolio	22.15
Other expenses	123.85
Total expenses	975.88
Profit / (Loss) for the period before Tax	331.77
- Current tax	124.35



- Tax for earlier period	
- Deferred tax expense/(benefit)	(9.12)
Profit after tax	216.54

Balance Sheet (in INR Cr)	
EQUITY AND LIABILITIES	
Shareholder's funds	
Share capital	693.88
Reserves and surplus	904.62
Non-current Liabilities	
Long-term borrowings	5,406.62
Long-term provisions	
Current liabilities	
Short-term borrowings	3,021.55
Trade Payable	246.75
Other current liabilities	
Short-term provisions	7.64
Total	7259.50
ASSETS	
Non-current assets	
Fixed assets	
(i) Tangible Assets	32.68
(ii) Intangible Assets	31.73
(iii) Capital Work In Progress	
Non-current Investments	530.73
Deferred tax assets, net	22.32
Loan to customers	5,801.59
Long-term loans and advances	76.32
Other non-current assets	38.47
Current assets	
Current Investments	
Cash and bank balances	605.75
Loan to customers	
Short-term loans and advances	76.32
Other current assets	160.93
Total	7259.50

- 5.6 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.



Other than as disclosed in this Information Memorandum, there are no other material events or developments or changes at the time of this Issue or subsequent to the Issue which may affect the Issue or the investors' decision to invest/ continue to invest in the Issue.

5.7 Names of the Debentures Trustees and Consents thereof.

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in Annexure 2 of this Information Memorandum.

5.8 Rating Rationale(s) adopted (not older than one year on the date of opening of the Issue)/ credit rating letter issued (not older than one month on the date of opening of the Issue).

The Rating Agency has assigned a rating of "CAREBBB+" to the Debentures. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk. The rating letter and rationale from the Rating Agency is provided in Annexure II of this Information Memorandum.

5.9 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

None

5.10 Names of all the recognized stock exchanges where the debt securities are proposed to be listed:

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

5.11 Other details:

(a) DRR Creation:

As per Section 71 of the 2013 Act, any company that intends to issue debentures must create a debenture redemption reserve to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. However, under the Companies (Issuance of Share Capital and Debentures) Rules, 2014, non-banking financial companies are exempt from this requirement in respect of privately placed debentures. Pursuant to this exemption, the Company does not intend to create any reserve funds for the redemption of the Debentures.

(b) Issue / instrument specific regulations:



The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act and the SEBI Debt Listing Regulations.

(c) **Application process:**

The application process for the Issue is as provided in SECTION 6: of this Information Memorandum.

5.12 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer
2	Board Resolution dated August 22, 2016 authorizing issue of Debentures offered under the terms of this Disclosure Document
3	Shareholder Resolution dated August 22, 2016 authorizing the borrowing by the Company.
4	Shareholder Resolution dated August 22, 2016 authorizing the issue of non-convertible debentures by the Company.
5	Copies of Annual Reports of our Company for the last three financial years
6	Credit rating letter from the Rating Agency
7	Letter from Catalyst Trusteeship Limited giving its consent to act as Debenture Trustee
8	Letter for Register and Transfer Agent
9	Certified true copy of the certificate of incorporation of the Company
10	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the National Securities Depository Limited/CDSL

5.13 Details of Debt Securities Sought to be Issued

Under the purview of current document, the Issuer intends to raise an amount of Rs. 100,000,000/- (Rupees Ten Crore Only) by issue of Rated, Listed, Unsecured, Subordinated, Redeemable, Taxable Non-Convertible Debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 7 of this Information Memorandum.

5.14 Issue Size

The aggregate issue size for the Debentures is of Rs. 100,000,000/- (Rupees Ten Crores Only).

5.15 Utilization of the Issue Proceeds

- General corporate purpose for ordinary course of the business of the Issuer
- No part of the proceeds would be utilized directly / indirectly towards capital markets, land acquisition or usages that are restricted for bank financing.



The Company undertakes that proceeds of this Issue shall not be utilized for the following purposes as specified in the RBI Master Circular No. DBOD.BP.BC.No.6/21.04.172/2012-13 dated July 1, 2014:

- 1) Bills discounted / rediscounted by NBFCs, except for rediscounting of bills discounted by NBFCs arising out of: Commercial vehicles (including light commercial vehicles) and two wheeler and three wheeler vehicles, subject to the following conditions: The bills should have been drawn by the manufacturer on dealers only; The bills should represent genuine sale transactions as may be ascertained from the chassis / engine number and; Before rediscounting the bills, the bona fides and track record of NBFCs which have discounted the bills would be verified.
- 2) Investments of NBFCs both of current and long-term nature, in any company / entity by way of shares, debentures, etc. However, Stock Broking Companies may be provided need-based credit against shares and debentures held by them as stock-in-trade.
- 3) Unsecured loans / inter-corporate deposits by NBFCs to / in any company.
- 4) All types of loans and advances by NBFCs to their subsidiaries, group companies / entities.
- 5) Finance to NBFCs for further lending to individuals for subscribing to Initial Public Offerings (IPO) and for purchase of shares from secondary market.

5.16 Issue Details

Security Name	14.25% Arohan Financial Services Private Limited 2022
Issuer	Arohan Financial Services Private Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Unsecured Subordinated Rated Listed Redeemable Non-Convertible Debentures
Seniority	Subordinated
Mode of Issue	Private placement
Eligible Investors	As provided in Clause 7.14 below
Listing	Debentures are to be listed on the WDM of the BSE within a maximum period of 20 (Twenty) calendar days from the Deemed Date of Allotment. In case the Debentures are not listed within 20 days of Deemed Date of Allotment for any reason whatsoever, the Issuer shall be required to immediately redeem all the Debentures from the Debenture Holders along with the interest accrued from the deemed date of allotment at the Interest Rate till the date of redemption.
Rating of Instrument	'BBB+' by CARE
Issue Size	Issue of 100(Fifty) Unsecured, Subordinated, Rated, Listed, Redeemable, Non-convertible Debentures of face value of Rs.10,00,000/- (Rupees Ten Lakh only) each, aggregating up to Rs.100,000,000/- (Rupees Ten Crore only) on a private placement basis (the "Issue")
Option to retain oversubscription	N.A.
Objects of the Issue	To raise subordinated unsecured debt to the extent up to Rs. 100,000,000/- (Rupees Ten Crore Only)
Details of the utilization of the Proceeds	The proceeds of the Issuance will be utilized for the following purposes: • General corporate purposes • for the ordinary course of business of the Issuer including repayment/re-financing of existing debt No part of the proceeds shall be utilized directly/indirectly towards capital markets (debt and equity), land acquisition or usages that are restricted for bank financing.
Coupon Rate	14.25% (Fourteen Decimal Point Two Five Percent) p.a.



Coupon Payment Frequency	Annually
Coupon payment dates	Annually on dates as specified in Annexure VI
Coupon Type	Fixed Coupon
Day Count Basis	Actual / Actual
Interest on Application Money	Interest at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Debentures for the period starting from and including the date of realization of application money in Issuer's bank account up to one day prior to the Deemed Date of Allotment
Default Interest Rate	In the event of a payment default of the amounts due under this Issue or any other Event of Default (whether by way of acceleration, at maturity or otherwise), the Issuer shall pay an additional 2% (Two Percent) per annum over and above the applicable Coupon Rate on the outstanding principal amount of the Debentures, calculated from the date of the occurrence of the default until such default is cured or the Debentures are redeemed pursuant to such default, as applicable.
Delay Penalty	In the case of a delay in the execution of Debenture Trust Deed, the Issuer shall refund the subscription with the agreed rate of interest or shall pay penal interest of 2% (Two Percent) per annum over and above the applicable Coupon Rate until such time the conditions have been complied with at the option of the Investor.
Tenor	6 years (Six Years) from the Deemed Date of Allotment
Redemption Date	September 20, 2022
Redemption Amount	Rs. 10,00,000/- (Rupees Ten Lakh Only) per Debenture on the Redemption Date plus accrued Coupon if any.
Redemption Premium/ Discount	NIL
Issue Price	Rs. 10,00,000/- (Rupees Ten Lakh Only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs. 10,00,000/- (Rupees Ten Lakh Only) per Debenture
Minimum Application size and in multiples of Debt Securities thereafter	The minimum application size for the Issue shall be 1,00,000 Debentures and in multiples of 10 thereafter.
Issue Timing	Issue Opening Date: September 20, 2016 Issue Closing Date: September 20, 2016 Pay-in Dates: September 20, 2016



	Deemed Date of Allotment: September 20, 2016
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS
Depositories	NSDL and/or CDSL
Business Day Convention	A day (other than a Saturday, or a Bank Holiday) on which banks are open for general business in Chennai. • If any coupon payment date falls on a day that is not a working day, the payment shall be made on the immediately succeeding working day. • If the redemption date of the Debentures falls on a day that is not a working day, the redemption proceeds shall be paid on the immediately preceding working day. • If the Maturity Date (also the last coupon payment date) of the Debentures falls on a day that is not a working day, the redemption proceeds and coupon payment shall be paid on the immediately preceding working day.
Record Date	The date which will be used for determining the Debenture Holder(s) who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 3(Three) Business Days prior to any Due Date.
Security	Unsecured.
Transaction Documents	Shall be as set out in Clause 6.1 below
Conditions Precedent to Disbursement	Customary for a transaction of this nature and as provided for in the Debenture Trust Deed.
Conditions Subsequent to Disbursement	Customary for a transaction of this nature and as provided for in the Debenture Trust Deed.
Events of Default	Customary for a transaction of this nature and as provided for in the Debenture Trust Deed.
Provisions related to Cross Default Clause	As provided for in the Debenture Trust Deed.
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Financial Covenants	The Company shall at all times until the redemption of all outstanding Debentures: (a) maintain Capital Adequacy Ratio of greater 15% (Fifteenpercent) or the capital adequacy prescribed by the RBI, which is higher. For the purpose of the calculations of the Capital Adequacy as mentioned above: - the first loss credit enhancement provided by the originator on securitization shall be reduced from capital funds and the deduction shall be capped at 15% of the outstanding securitized portfolio. - the first loss credit enhancement provided by the originator on loans originated on behalf of other institutions shall be reduced from capital funds without any ceiling.



	The deduction shall be made 50% from Tier I and 50% from Tier II capital. It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II capital, the aforementioned subordinated debt shall be subject to discounting as provided in the NBFC Master circular. (b) maintain a ratio of A:B not greater than 3% (Three percent) where A is Portfolio At Risk Over 30 Days and B is the Gross Loan Portfolio
Key Covenant	As provided for in the Schedule IV of the Debenture Trust Deed
Representation and warranties	Customary for a transaction of this nature and as provided for in the Debenture Trust Deed.
Illustration of Bond Cash-flows	Kindly refer to Annexure VI of this Information Memorandum
Governing Law	The Debentures and documentation will be governed and construed exclusively in accordance with the laws of India and any disputes arising there from shall be subject to the jurisdiction of appropriate courts and tribunals at Chennai/ Kolkata, India.

6.17 DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listing of debt securities made on private placement, the following disclosures are required to be made vide *SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16*:

- (A) Name of the Bank declaring the entity as a Wilful Defaulter: N.A
- (B) The year in which the entity is declared as a Wilful Defaulter: N.A
- (C) Outstanding amount when the entity is declared as a Wilful Defaulter: N.A
- (D) Name of the entity declared as a Wilful Defaulter: N.A
- (E) Steps taken, if any, for the removal from the list of wilful defaulters: N.A
- (F) Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: N.A
- (G) Any other disclosure as specified by the Board: N.A



Date: September 20, 2016

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)



SECTION 6: TRANSACTION DOCUMENTS AND KEY TERMS

6.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

- (a) Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");
- (b) Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**"); and
- (c) Such other documents as agreed between the Issuer and the Debenture Trustee.

The Transaction Documents shall be executed on or prior to the Issue Closing Date.

6.2 Representations and Warranties of the Issuer

The representations and warranties of the Issuer shall be as provided for in the Debenture Trust Deed.

6.3 Covenants of the Issuer

The covenants of the Issuer shall be as provided for in the Debenture Trust Deed.

6.4 Events of Default

The Events of Default shall be as provided for in the Debenture Trust Deed.

6.5 Consequences of Events of Default

Upon the happening of an Event of Default, the Debenture Trustee shall be entitled to exercise any and all remedies in accordance with the terms contained in the Transaction Documents.



SECTION 7: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

7.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

7.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

7.3 Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trust Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trust Agreement and the Debenture Trust Deed.



at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

7.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

7.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

7.6 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Information Memorandum which, in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

For the avoidance of doubt, the following matters, require the consent of Majority Debenture Holders, either by providing their express consent in writing or by way of a resolution at a duly convened meeting of the Debenture Holders as set out below:

- (a) Amendment to the terms and conditions of the Debentures or the Transaction Documents.

7.7 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

7.8 Notices

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holders through registered post, recognized overnight courier service, hand delivery or by facsimile transmission addressed to such Debenture Holder at its/his registered address or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be sent by registered post, recognized overnight courier service, hand delivery or by facsimile transmission to the Issuer or to such persons at such address/ facsimile number as may be notified by the Issuer from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".



Notice(s) shall be deemed to be effective (a) in the case of registered mail, 3 (three) Business Days after posting; (b) 1 (One) Business Day after delivery by recognized overnight courier service, if sent for next Business Day delivery; (c) in the case of facsimile at the time when dispatched with a report confirming proper transmission or (d) in the case of personal delivery, at the time of delivery.

7.9 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account of the Issuer as per the details mentioned in the Application Form.

7.10 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

7.11 Fictitious Application

All fictitious applications will be rejected.

7.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to potential investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

7.13 Payment Instructions

The Application Form should be submitted directly or through the Sole Arranger. The entire amount of Rs. 10,00,000/- (Rupees Ten Lakhs only) per Debenture is payable along with the making of an application. Applicants can remit the application amount through RTGS on Pay-in Date. The RTGS details of the Issuer are as under:

Beneficiary A/C Name:	Arohan Financial Services Limited
Bank Account No.	914020055985158.
IFSC CODE:	UTIB0000011.
Bank Name	Axis Bank Ltd.
Branch Address:	Golpark, Kolkata-700019.(W B)



7.14 Eligible Investors

The following categories of investors, when specifically approached, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"):

- (a) Mutual Funds
- (b) NBFCs
- (c) Provident Funds and Pension Funds
- (d) Corporates
- (e) Banks
- (f) Foreign Institutional Investors (FIIs)
- (g) Qualified Foreign Investors (QFIs)
- (h) Foreign Portfolio Investors (FPIs)
- (i) Insurance Companies
- (j) Any other person eligible to invest in the Debentures

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential Investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

7.15 Procedure for Applying for Dematerialised Facility

- (a) The applicant must have at least one beneficiary account with any of the DP's of NSDL/CDSL prior to making the application.
- (b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

- (g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

7.16 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and/or NSDL for issue and holding of Debenture in dematerialised form.

7.17 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

7.18 Application under Power Of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the potential Investor and the tax exemption certificate/document of the potential Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

7.19 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:



- (a) SEBI registration certificate
- (b) Resolution authorizing investment and containing operating instructions
- (c) Specimen signature of authorized signatories

7.20 Documents to be provided by potential investors

Potential investors need to submit the following documents, as applicable:

- (a) Memorandum and Articles of Association or other constitutional documents
- (b) Resolution authorising investment
- (c) Certified true copy of the Power of Attorney to custodian
- (d) Specimen signatures of the authorised signatories
- (e) SEBI registration certificate (for Mutual Funds)
- (f) Copy of PAN card
- (g) Application Form (including EFT/RTGS details)

7.21 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

7.22 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative (being the liquidator) of the Debenture Holder appointed by a competent court. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

7.23 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

7.24 Effect of Holidays

In case any Coupon Payment Date falls on a day which is not a Business Day, the payment to be made on such Coupon Payment Date shall be made on the next Business Day. When the Redemption Date falls on a day which is not a Business Day, the payment to be made of such Redemption Date shall be made on the immediately preceding Business Day.

7.25 Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the Debenture Holder(s) at the office of the R&T Agent of the Issuer at least 15 (Fifteen) calendar days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form.



Date: September 20, 2016

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

If any payments under this Issue is subject to any tax deduction other than such amounts as are required as per current regulations existing as on the date of the Debenture Trust Deed, including if the Company shall be required legally to make any payment for Tax from the sums payable under the Debenture Trust Deed, ("Tax Deduction"), the Company shall make such Tax Deduction, as may be necessary.

7.26 Letters of Allotment

The Debentures will be credited in dematerialised form within 2 (Two) Business Days from the Deemed Date of Allotment.

7.27 Deemed Date of Allotment

All the benefits under the Debentures, will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is September 20, 2016 by which date the Investors would be intimated of allotment.

7.28 Record Date

The Record Date will be 3 (three) calendar days prior to any Due Date.

7.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

7.30 Interest on Application Money

Interest at the Interest Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the NCDs for the period starting from and including the date of realization of application money in Issuer's bank account up to one day prior to the Deemed Date of Allotment.

7.31 PAN Number

Every applicant should mention its Permanent Account Number ("PAN") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.



7.32 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/CDSL and accordingly the account of the Debenture Holder(s) with NSDL/CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this Information Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.



SECTION 8: DECLARATION

The Issuer declares that all the relevant provisions in the regulations/guideline issued by SEBI and other applicable laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations/guidelines issued by SEBI and other applicable laws, as the case may be. The information contained in this Information Memorandum is as applicable to privately placed debt securities and subject to the information available with the Issuer. The extent of disclosures made in the Information Memorandum is consistent with disclosures permitted by regulatory authorities to the issue of securities made by the companies in the past.

For Arohan Financial Services Private Limited

Authorised Signatory

Name:

Title:

Date:



ANNEXURE I: TERM SHEET

As provided in 5.1616 above.



ANNEXURE II: RATING LETTER



ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE IV: APPLICATION FORM

Arohan Financial Services Private Limited

A private limited company incorporated under the Companies Act, 1956*

Date of Incorporation: September 27, 1991

Registered Office: PTI Building, 4th Floor, Block DP, DP-9, Sector V, Salt Lake City, Kolkata – 700091.

Telephone No.: 033 4015 6000

DEBENTURE SERIES APPLICATION FORM SERIAL NO.	-	-	-	-	-	
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Issue of 100 (One Hundred) Rated, Listed, Unsecured, Subordinated, Redeemable, Taxable Non-Convertible Debentures of face value of Rs.10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs.100,00,000/- (Rupees Ten Crores only) on a private placement basis (the "Issue")

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: _____ In words: _____-only
Amount Rs. _____/-In words Rupees : _____ Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS

No. Drawn on

Funds transferred to Arohan Financial Services Private Limited

Dated

Total Amount Enclosed

(In Figures) Rs. /- (In words) Only

APPLICANT'S NAME IN FULL (CAPITALS)

SPECIMEN SIGNATURE

[illegible]**APPLICANT'S ADDRESS**

ADDRESS																			
STREET																			
CITY																			
PIN						PHONE							FAX						

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT _____



WE ARE() COMPANY () OTHERS () SPECIFY _____

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the register of debenture holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL /CDSL
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account :	
(Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/otherpermitted mechanisms)	

DATE OF RECEIPT _____	FOR OFFICE USE ONLY DATE OF CLEARANCE _____
-----------------------	--

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Application this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason



whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Arranger (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and the Arranger (and all such persons acting on its or their behalf) and also hold the Issuer and Arranger and each of such person harmless in respect of any claim by any Transferee.

Applicant's
Signature

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant)	SERIAL NO.	1	-	-	-	-	-	-	-
--------------------------------	------------	---	---	---	---	---	---	---	---

Received from _____	
Address _____	
Cheque/Draft/UTR # _____	Drawn on _____ for
Rs. _____ on account of application of _____	Debenture



ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS



ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Arohan Financial Services Private Limited
Face Value (per security)	Rs.10,00,000/- (Rupees Ten Lakh Only)
Issue Date / Date of Allotment	Issue Opening Date : September 20, 2016
Redemption Date	Redemption Date: September 20, 2022
Coupon Rate	14.25%p.a payable annually
Frequency of the Coupon Payment with specified dates	Annually on 20-Sep-17 20-Sep-18 20-Sep-19 21-Sep-20 20-Sep-21 20-Sep-22
Day Count Convention	Actual/Actual

Cash Flows	Date	No. of days in Coupon Period	Coupon Amount (in Rupees)	Principal Amount (in Rupees)
Issue amount	20-Sep-16			(100,000,000)
1st Coupon	20-Sep-17	365	14,250,000	
2nd Coupon	20-Sep-18	365	14,250,000	
3rd Coupon	20-Sep-19	365	14,250,000	
4th Coupon	21-Sep-20	367	14,288,934	
5 th Coupon	20-Sep-21	364	14,210,959	
6 th Coupon & Redemption	20-Sep-22	365	14,250,000	
Total				100,000,000



ANNEXURE VII: FORM NO PAS-4 PRIVATE PLACEMENT OFFER LETTER

[Pursuant to Section 42 and Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Note : This Form No PAS-4 prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014 is to be read in conjunction with Section 6 (Regulatory Disclosures) of the Information Memorandum and shall together constitute the "Information Memorandum"

Issue of 100 (One Hundred) Unsecured, Rated, Listed, Redeemable, Non-convertible Debentures of face value of Rs.10,00,000/- (Rupees Ten Lakh only) each, aggregating up to Rs.100,000,000/- (Rupees Ten Crores only) on a private placement basis (the "Issue")

8.1 General Information:

- (a) **Name , address, website and other contact details of the Company, indicating both registered office and the Corporate:**

Issuer / Company: Arohan Financial Services Private Limited
 Registered Office: ~~PTI Building, 4th Floor, Block DP, DP-9, Sector V, Salt Lake City, Kolkata – 700091~~
 Corporate Office: PTI Building, 4th Floor, Block DP, DP-9, Sector V, Salt Lake City, Kolkata – 700091
 Telephone No.: 033 4015 6075
 Fax:
 Contact Person: Ms. Vanita Mundhra
 Email: vanita.mundhra@arohan.in

- (b) **Date of Incorporation of the Company:**

September 27, 1991

- (c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

Arohan Financial Services Pvt. Ltd. ("Arohan") is a Microfinance Institution (MFI) that was set up in January 2006 as an NBFC and started its operations in April 2006 in Kolkata. It was founded by Mr. Shubhankar Sengupta. Since its inception, Arohan has raised funds from social investors (institutional and individuals) including Bellwether Microfinance Trust, Michael & Susan Dell Foundation (MSDF) and Lok Capital. In Sep'12, Intellectash (an incubation & capacity building company in the microfinance sector & part of the Intellectap Group) backed by Aavishkaar Goodwell and other existing investors invested INR 27 Cr additional equity and took a 56% stake in Arohan.

Unlike many other MFIs that primarily cater to the rural population, Arohan's focus was to provide financial services to the urban and semi-urban poor, however, since the beginning of Calendar Year (CY) 2010, Arohan has been lending to borrowers in rural areas as well. Arohan offers a basket of financial services to economically backward women and men which suit their requirements. Its key focus is the group loan, for which it replicates the Grameen Bank model of lending.

- (d) **Brief particulars of the management of the Company:**

Name & Function	Background
Manoj Kumar	Manoj is a mechanical engineer from VJTI and holds a masters in management



Nambiar – Managing Director	studies from JBIMS, both from Mumbai University. His 24 years of work experience spans across marketing, consumer finance, retail banking & microfinance across India & the Middle East. He has worked with Modi Xerox, GE Countrywide, ANZ Grindlays Bank and ABN Amro Bank in India and then as Head Retail Banking with National Bank of Oman, COO with Alhamrani Group and Deputy CEO with Ahli Bank across the markets of Oman, UAE, Egypt & Saudi Arabia. Prior to joining Arohan, Manoj had been working as the MD & CEO of Intellectash.
Madhu Murthy- Senior Vice President	Madhu leads Arohan's distribution across all its states of operation. He brings over 23 years of accomplishments in sales and P&L responsibility across MNC and Indian corporations. Prior to joining Arohan, he was heading the Eastern region for SKS Microfinance, and also has more than a decade's experience in sales with Max Life Insurance. Madhu has a successful track record of making a meaningful difference to people, process, profitability and growth, and has managed complex environments and situations, to effect many a spectacular turnaround through robust planning and effective execution. He specializes in both direct and indirect channels of distribution, business development, operations and other support functions. Madhu is a Commerce Graduate and has completed Management Development program on managerial success at IIM Lucknow.
MilindNare – Chief Financial Officer	MilindNare is the Chief Financial Officer at Arohan. He is a finance professional with over two decades of experience spanning the entire gamut of finance. Apart from being a part of the senior management team to drive the Company, he is directly responsible for Financial Management, Audit & Taxation, Regulatory Compliance, Legal & Secretarial verticals. His role includes liaising with external stakeholders such as investors, bankers, merchant bankers, credit rating agencies and auditors. Prior to joining Arohan, Milind was CFO at India Factoring & Financial Solutions Pvt Ltd, where he held several leadership positions, looking after Strategic Initiatives, Financial Planning, Treasury, Taxation, Investor Relations and Business Finance. Milind is a commerce graduate from Bhavan's College, Mumbai and has a Master's degree in Financial Management from Pondicherry University.
Amit Dutta - Vice President	Amit brings over five years of experience to Arohan in the fields of accounting, statutory and funding. Prior to joining Arohan Amit worked with a reputed Indian audit firm. Amit is a qualified Chartered Accountant
Shraddha Srimal - Assistant Vice President	Shraddha has a bachelors in Mathematics, a post-graduation from IIM and has many years of working experience with the consulting business at Deloitte. Her work at Deloitte gave her an opportunity to get an exposure to various businesses across sectors, the challenges and improvements to face the changing environment. She was also part of the team which worked on the banking application submitted by one of the large MFI's recently.
AnantJayantNatu - Assistant Vice President	Anant studied engineering and subsequently did his 2-year management course at IRMA. He started his career at ICICI Bank in their Social Initiatives Group and then joined MicroSave as one of its earliest team members. In his 7 year stint at MicroSave, Anant worked on a wide range of assignments covering microfinance, financial inclusion, mobile banking and market research. In Arohan he looks after \Business Planning, Research and Review, Operations Policy Formulation , Portfolio Analysis , Process Innovation and Improvement of Customer Care & Social Performance He will be managing Collaborations & Partnerships .
Arvind Murarka - Assistant Vice President – IT	Arvind Murarka heads the IT function at Arohan. Arvind is an MBA (Specialization in IT). He has over 20 years of extensive experience in the field of Information Technology. He has worked in various organizations like GPT Infraprojects, Medica Hospitals, Intrasoftware Technologies Limited, iNavigators, Softweb Technologies and Kris Systems. His last stint was



	with Amrit Feeds as Head-IT.
Abin Mukhopadhyay - Assistant Vice President – Internal Audit	Abin joined Arohan in July'2015 and heads the Internal Audit function. He has over 14 years of experience in Internal Audit, Management Accounting, Corporate Accounts and Treasury. He has worked in various organizations like Eveready Industries Ind. Limited, ITC Limited, Colgate Palmolive India Limited & Hindustan Motors. Before Arohan he was with Gumasol Rubber Tech GmbH, Germany, where he was responsible for overall process improvement, internal audit and ERP implementation. Abin is a Chartered Accountant, CMA(UK) and Certified Information System Auditor(USA).
Prashant Rai - Assistant Vice President – Human Resource Administration & Training	Prashant has wide experience of more than 13 years handling senior roles both in business HR and also as a functional specialist. Previous to Arohan he was heading Learning and Development, Leadership Development and CSR at Tata Voltas. His previous assignments were with Srei Infrastructure Finance Ltd., Wacker Chemi AG and Videocon Industries Ltd. He has significantly contributed in areas like Strategic HR, Leadership Development, learning and development and talent management. He was instrumental in successfully establishing and operating skilling Centers and Leadership Academies in his career. Prashant is a Graduate in Mathematics with a Post Graduate in science from SM University and holds a PGDBM in HR. He is a certified PPA & GIA assessor from Thomas International. He also holds a certification in Growth Leadership from Korn-Ferry International and a Certification in Competency mapping and Business English Communication from Cambridge University.
Vikash Kumar - Assistant Vice President – Enterprise Lending & Cross Sell	Vikash has over 17 years of experience in microfinance and the Indian Air Force. In his last assignment he was the Head of Operations at HPPI-Microfinance. At Arohan Vikash will be heading the Enterprise Lending and the Cross-Sell verticals. Vikash is a BA in Public Administration from IGNOU, New Delhi. He also holds a Post Graduate Diploma in Management (RM) from Xavier Institute of Management, Bhubaneswar.
Santanu Sen – General Manager (Finance)	He is a Commerce graduate and a Certified Associate of the Indian Institute of Bankers. Santanu had been working with State Bank of India since 1987-2001. He left SBI as a Chief Manager. From 2002 onwards Santanu has worked with a number of MFIs namely Village Group, where he was the Manager -operations, Bandhan, South Asia Research Society. During the last few years he has assisted various MFIs on fund raising and other tasks
Debarshi Choudhuri – General Manager (Accounts)	Debarshi has over 17 years of working experience in Finance, Accounts, Taxation, Audit, MIS, Commercial, Budgeting and Statutory Compliances in NBFC, Infrastructure, FMCG, Engineering, Telecom and Pharmaceutical and is currently the General Manager of Accounts at Arohan. Debarshi has worked with SREI Infrastructure Finance Limited, JK Files (India) Limited (Raymond Group Company), Amrit Group, BPL Telecom Private Ltd, Stadmed Private Limited and Ray & Ray (a Chartered Accountant Firm). His last assignment was with SREI as AVP –Accounts & Finance. Debarshi joined Arohan in January 2015. He handles Accounts, Audit, MIS, Budget, Fund Management and Taxation. Debarshi is a Chartered Accountant from The Institute of Chartered Accountant of India (ICAI) and he has also completed the PGDBA in Finance from Symbiosis,



	Pune.
JoyantaBakali - General Manager – Operations (West Bengal)	Joyanta has over 10 years of experience working directly with microfinance in Bangladesh with the Shakti Foundation, one of the country's largest MFIs. Here, Joyanta served in several capacities - from field staff member to core head office management team in Internal Control and Operations. Because of this, Joyanta has a highly well-rounded and deep understanding of the microfinance sector. Joyanta has an accountancy designation.
RichelTshering La - General Manager (Credit)	RichelTshering La is a Banking and Financial Services professional with over 11 years of experience in credit, sales and debt service. Erudite in Small and Medium Enterprises funding, he currently heads Pragati- a micro-enterprise credit product at Arohan. Richel started his career with BPCL in dealer channel sales handling the sales and marketing activities before moving on to banking. He joined ICICI Bank in 2005 as solution manager. He was with ICICI Bank for 9 years in the Credit vertical handling various roles in credit and debt service functions including pre approved overdraft and unsecured loans for small and medium enterprise, auto loan and home loan. Richel graduated with a Bsc in Mathematics from Jadavpur University, Kolkata and holds a PGDBM from Indian Institute of Management, Bangalore (IIM-B).
Vinod Pandey - General Manager – Operation (Bihar)	Vinod has over 12 years of experience in sectors like microfinance and insurance. Prior to joining Arohan, Vinod was heading the state chapter of L&T Microfinance in West Bengal. Vinod is a Bachelor of Arts from Ranchi University, Jamshedpur. He also holds a Post Graduate Diploma in Rural Development from Xavier Institute of Social Services, Ranchi. Vinod has successfully completed an Advance Diploma in Business Management from ICAI University in 2009.
Amaresh Pandey - General Manager – Operation (Assam)	Amaresh has over 7 years of experience in Microfinance. Before joining Arohan he was heading one of the largest territories at SKS Microfinance - in West Bengal. Amaresh is a Master in Science (Botany) from Utkal University, Odisha. Additionally he holds a MBA (Agri-Business Management) degree from Utkal University, Orissa which he completed in 2008.
Susanta Kumar Behera - General Manager – Operation (Odisha)	Susanta Kumar Behera joined Arohan as General Manager Operations in 2015 and is responsible for the Odisha operations. Susanta has a Post Graduate Diploma in agri business & rural development and is a Masters in Agricultural Economics from Orissa University of Agriculture & Technology. He has over 19 years of work experience in the development sector and has worked for organizations like Sa – Dhan, Jagruti, BASIX's & Fullerton. He has also worked on various projects under the United Nations Development Program.
Tamal Chakraborty - AGM – Operation (Jharkhand)	Tamal Chakraborty joined Arohan as Assistant General Manager Operations in 2015 and is responsible for the Jharkhand operations.



	Tamal did his Masters in Sociology and has over 9 years of work experience in the microfinance sector with organizations like Bandhan and HDFC.
Lokesh Ray – AGM – Finance	Lokesh is a Computer Engineer from Sardar Patel College, Mumbai University. He has completed his PGDBM from IMT Ghaziabad. Lokesh has over 6 years of experience in fund raising and corporate finance advisory. He has worked with various organizations such as Indo-IB Capital Partners, UBS, Datamatics etc. In his stint at Indo-IB, Lokesh successfully raised funds for pharma companies and real estate developers.

(e) Name, address, DIN and occupations of the directors:

S. N o.	Name of the Directors	Designation	Date of Birth	Address	DIN	PAN	Director of the company since	Director in other company
1	Manoj Kumar Narayan Nambiar	Managing Director (Executive Director)	18-Apr-65	8, Godavari, Sector-3, Vashi, Navi Mumbai, 400703, Maharashtra, India	03172919		3-Oct-12	Intellectash Microfinance Network Company Pvt. Ltd., Intellectash Software Technologies Pvt. Ltd.
2	Anurag Agrawal	Director	12-Feb-78	Sn 14 / 94 Agrawal Kunj, Sarnath, Varanasi, 221007, Uttar Pradesh, India	02385780		3-Oct-12	Intellectual Capital Advisory services Pvt. Ltd., Intellectash Microfinance Network Company Private Ltd., Jain Sons Finance Ltd
3	Vineet Chandra Rai	Director	17-Jun-71	101-D Wing, Bldg.No.6, Emp 48 Halley, Evershine, Thakur Village, Kandivali (E), Mumbai, 400101, Maharashtra, India	00606290		24-Oct-13	Aavishkar Venture Management services Private Ltd, Aavishkar Venture Trustees Pvt Ltd, JainsonsFinance Ltd, Electronic payment & services Pvt ltd., SwarnaPragati Housing microfinance Pvt Ltd, Connect India E-Commerce Services Private Ltd, Intellectual Capital Advisory services Pvt. Ltd, Vaatsalya Health Care Solutions Pvt Ltd, Aavishkaar Capital Advisors LLP.
	Sushma Keshava murthy	Director	23-Oct-79	B 82 , Brookhaven Apartment,,	05142705		3-Oct-12	Belstar Investment and Finance Pvt Ltd, Desert Artisans



4	Kaushik			JvIrJogeshwari (East), Mumbai, 400060, Maharashtra, India			Handicrafts Bhuj Ltd, Intellectash Microfinance Network Co. Pvt Ltd., Intellectash Advisory Services Private Ltd., Utkarsh Microfinance Ltd.
5	Sumantra Banerjee	Independent Director	31-Dec-49	2C, Alipore Avenue, Kolkata-700027, West Bengal, India	00075243	29-Apr-14	Noida Power Company Ltd., Hilltop Holdings India Ltd., Jubilee Investments & Industries Ltd., The Bengal Club Ltd., Myriad Ventures Pvt. Ltd.
6	Rajat Mohan Nag	Independent Director	12-Sep-48	B-3/602, World Spa West, Sector 30, Gurgaon-122001, India	07083831	31-Jan-15	Partners for Transparency Foundation India
7	Piyush Goenka	Director	22-Jul-77	4B, Neelamber, 37, Pedder Road, Mumbai, Cumballa Hill, Maharashtra-400026.	02117859	31-Mar-15	JHS Svendgaard Hygiene Products Limited, JHS Svendgaard Laboratories Ltd., MSH Sarees Pvt. Ltd.
8	Kailash Chand Vaid	Director	19-Sep-62	Flat No.3A, Dakhina, Tolly Gardens, 340 NSC Bose road, Bansdroni, Kolkata-700047	07339850	21-Dec-2015	Bandhan Financial Services Ltd.

(f) **Management perception of Risk Factors:**

As provided for in Section 3 (*Risk Factors*) of this Information Memorandum.

(g) **Details of defaults, if any, including the amounts involved, duration of default, and present status, in repayment of:**

- (i) Statutory Dues: NIL
- (ii) Debenture and interest thereon: NIL
- (iii) Deposits and interest thereon: NA
- (iv) Loans from banks and financial institutions and interest thereon: NIL



(h) **Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the Issue:**

Name: Ms. Vanita Mundhra
Designation: Company Secretary & Compliance Officer
Address: 95B, Chittaranjan Avenue, Kolkata - 700073
Phone No.: 9831685414
Email: vanita.mundhra@arohan.in

8.2 Particulars of the Offer:

Date of passing of Board Resolution	August 22, 2016								
Date of passing of resolution in general meeting, authorizing the offer of securities	August 22, 2016								
Kind of securities offered and class of security	Non-Convertible Debentures, Unsecured Debt.								
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of Rs.10,00,000/- (Rupees Ten Lakh Only) per Debenture								
Name and address of the valuer who performed valuation of the security offered	NA								
Amount, which the Company intends to raise by way of securities	Up to Rs.10,00,00,000/- (Rupees Ten Crore Only)								
Terms of raising of securities:	<table> <tr> <td>Duration, if applicable:</td><td>72 months from the Deemed Date of Allotment</td></tr> <tr> <td>Rate of Interest:</td><td>14.25% p.a payable annually</td></tr> <tr> <td>Mode of Payment</td><td>cheque(s)/ demand draft/ electronic clearing services (ECS)/ credit through RTGS system/funds transfer</td></tr> <tr> <td>Mode of Repayment</td><td>cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer</td></tr> </table>	Duration, if applicable:	72 months from the Deemed Date of Allotment	Rate of Interest:	14.25% p.a payable annually	Mode of Payment	cheque(s)/ demand draft/ electronic clearing services (ECS)/ credit through RTGS system/funds transfer	Mode of Repayment	cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer
Duration, if applicable:	72 months from the Deemed Date of Allotment								
Rate of Interest:	14.25% p.a payable annually								
Mode of Payment	cheque(s)/ demand draft/ electronic clearing services (ECS)/ credit through RTGS system/funds transfer								
Mode of Repayment	cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer								
Proposed time schedule for which the Issue/Offer Letter is valid	September 20, 2016								
Purpose and objects of the Issue/Offer	The proceeds of the Issuance will be utilized for the following purposes: - General corporate purposes - for the ordinary course of business of the Issuer including repayment/re-financing of existing debt No part of the proceeds shall be utilized directly/indirectly towards capital markets (debt and								



	equity), land acquisition or usages that are restricted for bank financing.
Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects	N.A.
Principal terms of assets charged as security, if applicable	N.A.

8.3 Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	NIL		
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (three) years immediately preceding the year of the circulation of this Offer Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	NIL		
Remuneration of directors (during the current year)	Name of the Director	Remuneration per Month (in Rs)	
	2016		



and last 3 (three) financial years)	Mr. ShubhankarSengupta	4124310		
	Mr.Manoj Kumar Nambiar	5992680		
	2015			
	Mr. ShubhankarSengupta	2,752,540		
	Mr.Manoj Kumar Nambiar	4,938,120		
	2014			
	Mr. ShubhankarSengupta	2,089,400		
	Mr.Manoj Kumar Nambiar	3,373,800		
Related party transactions entered during the last 3 (three) financial years immediately preceding the year of circulation of this Offer Letter including with regard to loans made or, guarantees given or securities provided	Transactions with related parties			
		31 March 2016	31 March 2015	31-Mar-14
	Issue of equity shares (including share premium)			
	IntelleCash Microfinance Network Company Private Limited	3565988	13500000	0
	AavishkaarGoodwell India Microfinance Development Company II Ltd			187145775
	Michael& Susan Dell Foundation			27999330
	Manoj Kumar Nambiar	0	877131	2500000
	ShubhankarSengupta	424650	219279	0
	Loan given			
	Arohan ESOP Trust	0	9600000	0
	Loan taken			
	Manoj Kumar Nambiar	3400000	0	5900000
	GeetaNambiar	3400000	0	5700000
	Loan repaid			
	Manoj Kumar Nambiar	4000000	0	0
	GeetaNambiar	4000000	0	0
	Remuneration*			
	ShubhankarSengupta	4124310	2725540	2089400
	Manoj Kumar Nambiar	5992680	4938120	3373800
	Interest received / (paid)			
	Manoj Kumar Nambiar	-398299	-505809	-339534
	GeetaNambiar	-556410	-716261	-126493
	Arohan ESOP Trust	0	1085546	814965
	Professional fees			
	Intellectual Capital Advisory Services Private Limited	0	10504915	200000
	Loan processing charges			
	Manoj Kumar Nambiar	12000	19500	0
	GeetaNambiar	17000	23500	0
	Reimbursement of expenses			
	Tano India Private Equity Fund II	12999	0	0
	Transactions with related parties (continued)			



	Rent & service charges			
	Intellectual Capital Advisory Services Private Limited	538382	183061	63242
	Intellectap Software Technologies Private Limited	3969	340816	118325
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of circulation of this Offer Letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	NIL			
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of the Offer Letter in the case of the Company and all of its subsidiaries. Also if there were any were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last	NIL			

3 (three) years immediately preceding the year of this Offer Letter and if so, section-wise details thereof for the Company and all of its subsidiaries	
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	Nil

8.4 Financial Position of the Company:

The authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value) (as of December 2015)	Share Capital	Rs.
	Authorised	
	52,070,470 Equity shares of Rs 10/- each	520,704,700
	9,176,660 Preference shares of Rs 20/- each	183,533,200
	TOTAL	704,237,900
	Issued, Subscribed and Fully Paid- up	
	51,770,470 Equity shares of Rs 10/- each	517,704,700
	9,176,660 compulsorily convertible preference shares of Rs 20/- each	183,533,200
	TOTAL	701,237,900
Size of the Present Offer	INR 100,000,000	
Paid-up Capital:		
a. After the offer:	N.A.	
b. After the conversion of Convertible Instruments (if applicable)	N.A.	
Share Premium Account:		
a. Before the offer:	N.A.	
b. After the offer:	N.A.	



Details of the existing share capital of the Issuer:(as of June 302016)

Date of Allotment	Name of Investor	No of Equity Shares	Face Value (Rs)	Issue Price (Rs)	Consideration	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs in Crore)
							Shares	Capital	Premium
23-Jun-10	Michael & Susan Dell Foundation	404354	10	50	Cash	Fresh Share	404354	0.4	1.62
23-Jun-10	Lok Capital LLC	404354	10	50	Cash	Fresh Share	404354	0.4	1.62
23-Jun-10	Swaminathan Aiyar	266666	10	38	Cash	Fresh Share	266666	0.27	0.73
23-Jun-10	India Financial Inclusion Fund	2157958	10	50	Cash	Fresh Share	2157958	2.16	8.63
23-Jun-10	Bellwether Microfinance Fund Pvt. Ltd.	133334	10	38	Cash	Fresh Share	133334	0.13	0.37
23-Jun-10	ShubhankarSengupta	875000	10	10	Cash	Fresh Share	875000	0.88	0
23-Jun-10	Arohan ESOP Trust	825000	10	10	Cash	Fresh Share	825000	0.83	0
10-Sep-12	IntelleCash Microfinance Network Co Pvt Ltd	12569222	10	13	Cash	Fresh Share	12569222	12.57	3.63
10-Sep-12	AavishkaarGoodwell India Microfinance Development Company	4973858	10	13	Cash	Fresh Share	4973858	4.97	1.44
10-Sep-12	Aavishkaar Venture Management Services Private Limited	6225	10	13	Cash	Fresh Share	6225	0.01	0
10-Sep-12	Michael & Susan Dell Foundation	2133437	10	13	Cash	Fresh Share	2133437	2.13	0.62
10-Sep-12	India Financial Inclusion Fund	930954	10	13	Cash	Fresh Share	930954	0.93	0.27
10-Sep-12	Manoj Kumar Nambiar	193949	10	13	Cash	Fresh Share	193949	0.19	0.06
30-Mar-13	GeetaNambiar	1000	10	13	Cash	Fresh Share	1000	0	0
30-Mar-13	Shree Ravindranathan	1000	10	13	Cash	Fresh Share	1000	0	0
30-Mar-13	Nalini Agrawal	100	10	13	Cash	Fresh Share	100	0	0
30-Mar-13	PreetiJha	1002	10	13	Cash	Fresh Share	1002	0	0
30-Mar-13	KalpanaBhushan	1000	10	13	Cash	Fresh Share	1000	0	0
26-Sep-13	AavishkaarGoodwell India Microfinance Development Company	9178312	10	20	Cash	Fresh Share	9178312	9.18	9.54
27-Sep-13	Aavishkaar Venture Management Services Private Limited	11487	10	20	Cash	Fresh Share	11487	0.01	0.01
4-Oct-13	Michael & Susan Dell Foundation	1373189	10	20	Cash	Fresh Share	1373189	1.37	1.43
4-Oct-13	Swaminathan Aiyar	150000	10	20	Cash	Fresh Share	150000	0.15	0.16
31-Mar-14	Manoj Kumar Nambiar	193949	10	13	Cash	Fresh Share	193949	0.19	0.06
1/10/2015	Intelle Cash Microfinance Network Co Pvt.Ltd.	168207	10	21.2	Cash	Fresh Issue	168207	0.17	0.19
29-04-2014	Jaydeep Chakraborty	30000	10	13.74	Cash	Transfer	30000	0.03	0.01
30-06-2014	Manoj Kumar Nambiar	54043	10	16.23	Cash	Fresh Issue	54043	0.05	0.03
13-07-2015	Manoj Kumar Nambiar	178387	10	21.2	Cash	Transfer	178387	0.18	0.20



Date: September 20, 2016

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

29-11-2014	Madhu Murthy	30807	10	16.23	Cash	Fresh Issue	30807	0.03	0.02
30-06-2014	ShubhankarSengupta	13510	10	16.23	Cash	Fresh Issue	13510	0.01	0.01
13-07-2015	ShubhankarSengupta	44597	10	21.2	Cash	Transfer	44597	0.04	0.05
01-10-2015	ShubhankarSengupta	5000	10	16.23	Cash	Exercise of ESOP	5000	0.01	0.00
01-10-2015	ShubhankarSengupta	25000	10	13.74	Cash	Exercise of ESOP	25000	0.03	0.01
29-04-2014	Arohan ESOP TRUST	-30000	10	13.74	Cash	Transfer	-30000	-0.03	-0.01
13-07-2015	Arohan ESOP TRUST	178387	10	21.2	Cash	Transfer	-178387	-0.18	0.20
13-07-2015	Arohan ESOP TRUST	-44597	10	21.2	Cash	Transfer	-44597	-0.04	0.05
1/10/2015	Arohan ESOP TRUST	-5000	10	16.23	Cash	Transfer	-5000	-0.01	0.00
1/10/2015	Arohan ESOP TRUST	-25000	10	13.74	Cash	Transfer	-25000	-0.03	-0.01

Shareholding pattern of the Issuer as on June 30 2016

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Number of share in Demat Form	% of shareholding
1.	IntelleCash Microfinance Network Co Pvt Ltd	Equity	18,067,494	18,067,494	34.90%
2.	AavishkaarGoodwell India Microfinance Development Company	Equity	14,152,170	0	27.34%
3.	Aavishkar Venture Management Services Private Limited	Equity	17,712	17,712	0.03%
4	Michael & Susan Dell Foundation	Equity	4,460,980	4,460,980	8.62%
5	India Financial Inclusion Fund	Equity	3,088,912	3,088,912	5.97%
6	Tano India Private Equity Fund II (Equity)	Equity	9,176,660	0	17.73%
7	ShubhankarSengupta	Equity	683,823	683,823	1.32%
8	Manoj Kumar Nambiar	Equity	710,328	710,328	1.37%
9	Arohan ESOP Trust	Equity	622,916	0	1.20%
10	Others	Equity	78,947	0	1.52%
	Total Equity Shares		51,770,470		100%



Details of allotments made by the company in the last one year prior to the date of this offer letter for consideration other than cash and details of the consideration in each case.	Nil															
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this Offer Letter	<table><tr><th>FY</th><th>PBT (in INR Cr)</th><th>PAT (in INR Cr)</th></tr><tr><td>FY 2016</td><td>3,317.70</td><td>2,165.41</td></tr><tr><td>FY 2015</td><td>1,575.26</td><td>1089.73</td></tr><tr><td>FY 2014</td><td>440.50</td><td>306.22</td></tr><tr><td></td><td></td><td></td></tr></table>	FY	PBT (in INR Cr)	PAT (in INR Cr)	FY 2016	3,317.70	2,165.41	FY 2015	1,575.26	1089.73	FY 2014	440.50	306.22			
FY	PBT (in INR Cr)	PAT (in INR Cr)														
FY 2016	3,317.70	2,165.41														
FY 2015	1,575.26	1089.73														
FY 2014	440.50	306.22														
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	Nil															
A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter	Refer Annexure 1															
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter	Refer Annexure I															
Any change in accounting																



policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	Nil
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Annexure 1



Annexure II



8.5 DECLARATION (To be provided by the Directors)

- a. The Company has complied with the provisions of the Companies Act and the rules made thereunder;
- b. The compliance with the Companies Act and the rules does not imply that payment of dividend or interest or repayment of the Debentures, if applicable, is guaranteed by the Central Government;
- c. the monies received under the Issue shall be used only for the purposes and objects indicated in this Offer Letter;

I am authorized by the Board of Directors of the Company *vide* resolution dated June 28, 2016, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of the Offer Letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For Arohan Financial Services Private Limited,



Authorised Signatory



Name:

Title:

Date:

Enclosed

Copy of Board Resolution

Copy of Shareholders Resolution

Optional Attachments, if any

1. The first part of the report is devoted to a general survey of the situation in the country. It is a very interesting and informative study of the country's economic and social conditions. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the knowledge of the country.

2. The second part of the report is devoted to a detailed study of the country's economic conditions. It is a very thorough and comprehensive study of the country's economic situation. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the knowledge of the country.

3. The third part of the report is devoted to a detailed study of the country's social conditions. It is a very thorough and comprehensive study of the country's social situation. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the knowledge of the country.

4. The fourth part of the report is devoted to a detailed study of the country's political conditions. It is a very thorough and comprehensive study of the country's political situation. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the knowledge of the country.

5. The fifth part of the report is devoted to a detailed study of the country's cultural conditions. It is a very thorough and comprehensive study of the country's cultural situation. The author has done a great deal of research and has gathered a wealth of material. The report is well written and is a valuable contribution to the knowledge of the country.



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