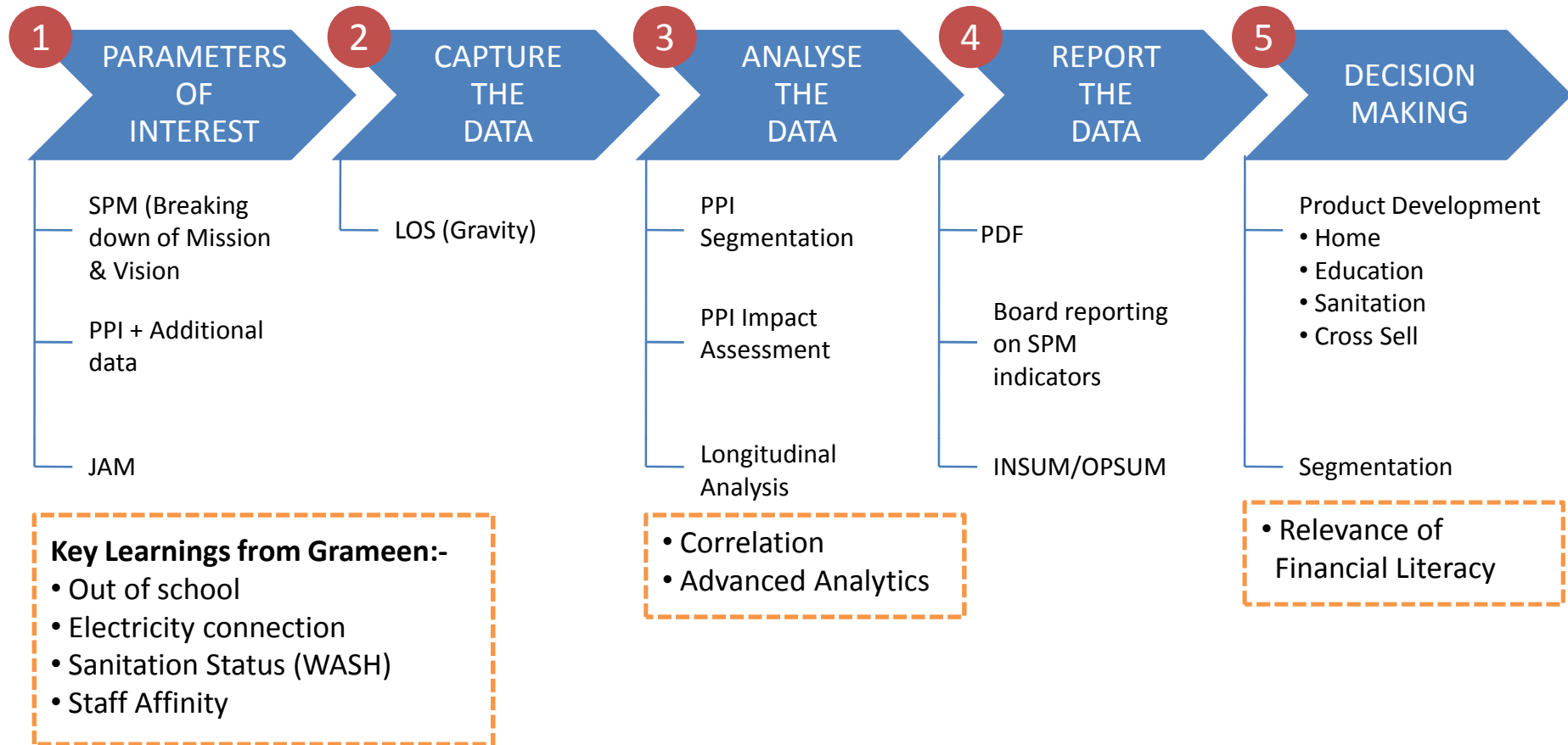




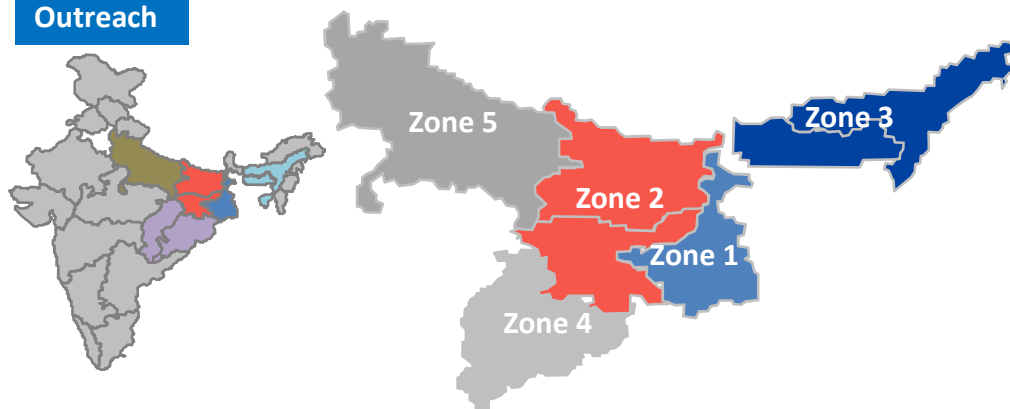
Social Performance

Arohan's Journey on Managing Outcomes

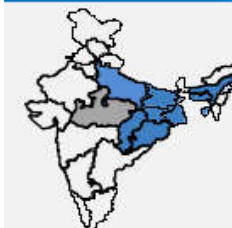


Overview

Outreach



Expansion



INR 100 Cr
inorganic
business

11 partners



9 States,
435 branches
9.47 lacs customers

Products



Saral



Bazaar



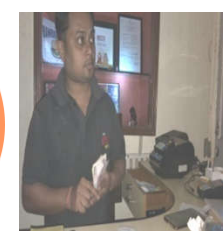
Tatkal



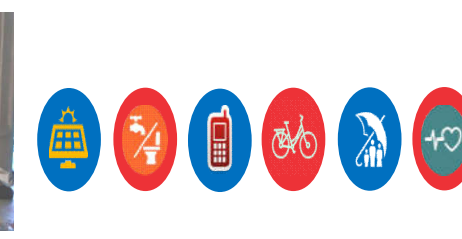
Premium



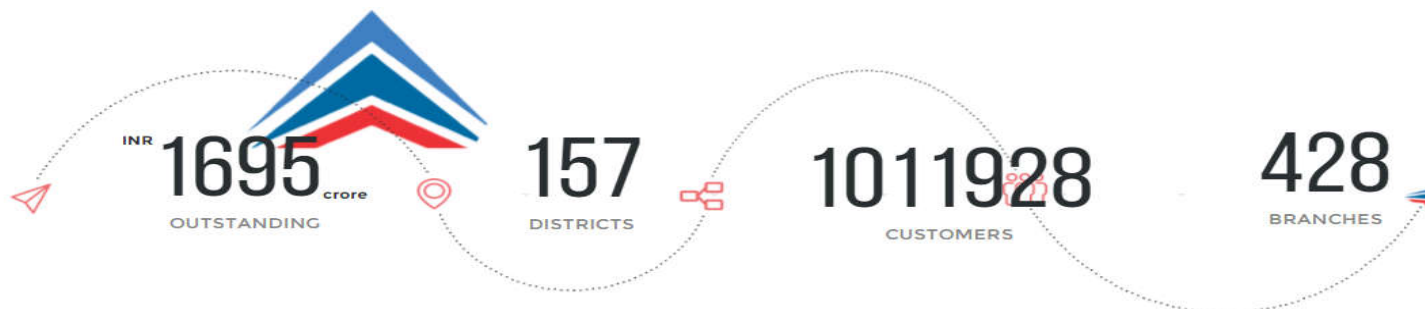
Sanitation



MCA



Cross Sell products



Outcome Management



AROHAN

AAVISHKAAR - INTFINFCAP ENTERPRISE



SPM at Arohan

Translation of mission into effective practice

"To empower the underserved by offering a range of financial services, in a manner sustainable for all stakeholders"

Why? To what end?

Who? What clients?

What products and services?

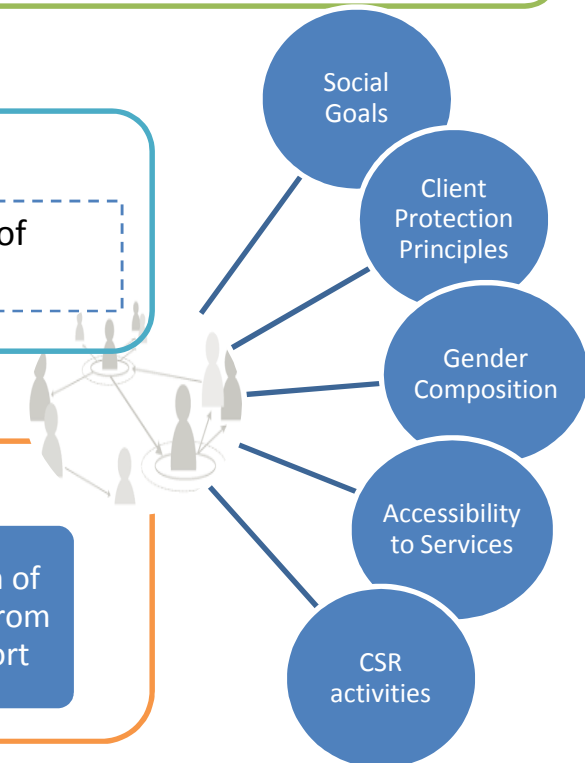
How? In what way?

Performance management framework

✓ Publishing SPM report since April 2017

✓ Reviewed quarterly by the Board

✓ Monitoring and assessing of social objectives



Strengthening double bottom-line approach

Deconstructing mission into SMART objectives

Measurement of indicators

Understanding the alignment of process with its goals

Derivation of feedback from SPM report

SOCIAL PERFORMANCE MANAGEMENT REPORT

Social Goals			
1	Serving the underserved segment	Serving the broad purpose of increasing financial inclusion	a) Number of districts covered
			b) Percentage of districts in the "underserved area"
			c) Average PPI score for new customers
2	Rural Clients	Measures the efficacy of client targeting, especially if the mandate is to target rural clients	a) Percentage of rural clients
Client Protection Principles			
3	Appropriate Product design and delivery	Products and delivery channels are designed with client characteristics taken into account	a) No. of financial products available to clients
			b) Average number of accounts per customer
			c) Percentage of our total customers who have more than one Arohan account
4	Prevention of Over Indebtness	Determines that clients have the capacity to repay without becoming over-indebted	a) Proportion of our customers who have loan only from Arohan
			b) Proportion of our customers who have loan from one more lender besides Arohan
			c) Proportion of customers who were rejected on account of over-indebtedness
5	Transparency	Communicating clear, sufficient, and timely information in a manner and language that client can understand	a) Number of clients to whom Financial Literacy is imparted b) Percentage of clients trained through CPP
6	Responsible pricing	Pricing, terms, and conditions are set in a way that is affordable to clients	a) Annual Interest Rate
7	Fair and respectful treatment of clients	Treat clients fairly and respectfully. Train staff on the Code of Ethics	a) No. of RTPs on CPP
			b) No. of RTPs on PPI
8	Privacy of client data	Client information is only used in the ways agreed upon at the time of data collection	a) No. Of RTPs on confidentiality clause
9	Complaint Resolution	Mechanism used to resolve individual complaints and improve products/services	b) Percentage of grievance closed within TAT
Customer Satisfaction			
10	New customer	Proxy for depth of outreach	a) Percentage of new clients
11	Disbursement	Measures the efficacy of on-time disbursement	a) Percentage of clients to whom loan was disbursed within TAT (verification to disbursement)
12	Insurance Claim settlement	Measures the efficacy of insurance claim settlements - reduces vulnerability	a) Percentage of clients whose claim was settled within TAT (from document received till settled)
13	Client Retention Rate	Higher client retention rate indicates high customer satisfaction level.	a) Client Retention Rate
Gender composition			
14	Staff Retention rate	Higher staff retention rate indicates high staff satisfaction level	a) Staff Retention rate
15	Salary Ratio	Reflects the compensation structure of the MFI	a) Lowest to Highest Salary Ratio
Miscellaneous			
16	Accessibility to services	Measures % of clients who have access to financial and digital services	a) Percentage of customers with Aadhaar (except Assam and Meghalaya)
			b) Percentage of clients with Mobile phone
			c) Percentage of customers with bank account
17	CSR activities	Number of beneficiaries covered under non-financial services	a) Skill Building
			b) Education services
			c) Women's Health and Welfare
			d) Disaster Relief
			e) Eco sustainability



Capturing Progress Out of Poverty Index and Social indicators in Gravity

Progress Out of Poverty Index 1

HOW MANY HOUSEHOLD MEMBERS ARE THERE ?
Three

WHAT IS THE GENERAL EDUCATION LEVEL OF THE FEMALE HEAD/SPOUSE ?
Middle

DOES THE HOUSEHOLD POSSESS A STOVE(KEROSENE)/GAS BURNER ?
Yes

DOES THE HOUSEHOLD POSSESS A PRESSURE COOKER/PRESSURE PAN ?
No

DOES THE HOUSEHOLD POSSESS A REFRIGERATOR ?
Yes

Progress Out of Poverty Index 2

DOES THE HOUSEHOLD POSSESS A TELEVISION ?
Yes

DOES THE HOUSEHOLD POSSESS AN ELECTRIC FAN (CEILING AND TABLE FAN) ?
No

DOES THE HOUSEHOLD POSSESS AN ALMIRAH/DRESSING TABLE ?
Yes

DOES THE HOUSEHOLD POSSESS A CHAIR, STOOL, BENCH, OR TABLE ?
Yes

DOES THE HOUSEHOLD POSSESS A MOTORCYCLE, SCOOTER, MOTOR CAR, OR JEEP ?
Yes

Family Asset Page

TYPE OF HOUSE
Family Owned

QUALITY OF HOUSE
Pakka/Concrete

TYPE OF AREA
Urban

HOUSE STAY DURATION (IN YEARS)
12

NO OF ROOMS IN THE HOUSE
2

ATTACHED TOILET
Yes

SEPARATE COOKING SPACE
Yes

RUNNING WATER INSIDE HOUSE
Yes

SOURCE OF ENERGY OF COOKING
Gas

LAND MEASUREMENT IN SQ FT
400

LAND TYPE
Residential



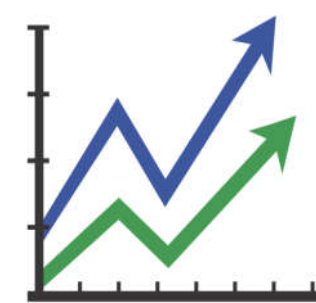
Client Segmentation

Product Design

Scaling Cross Sell

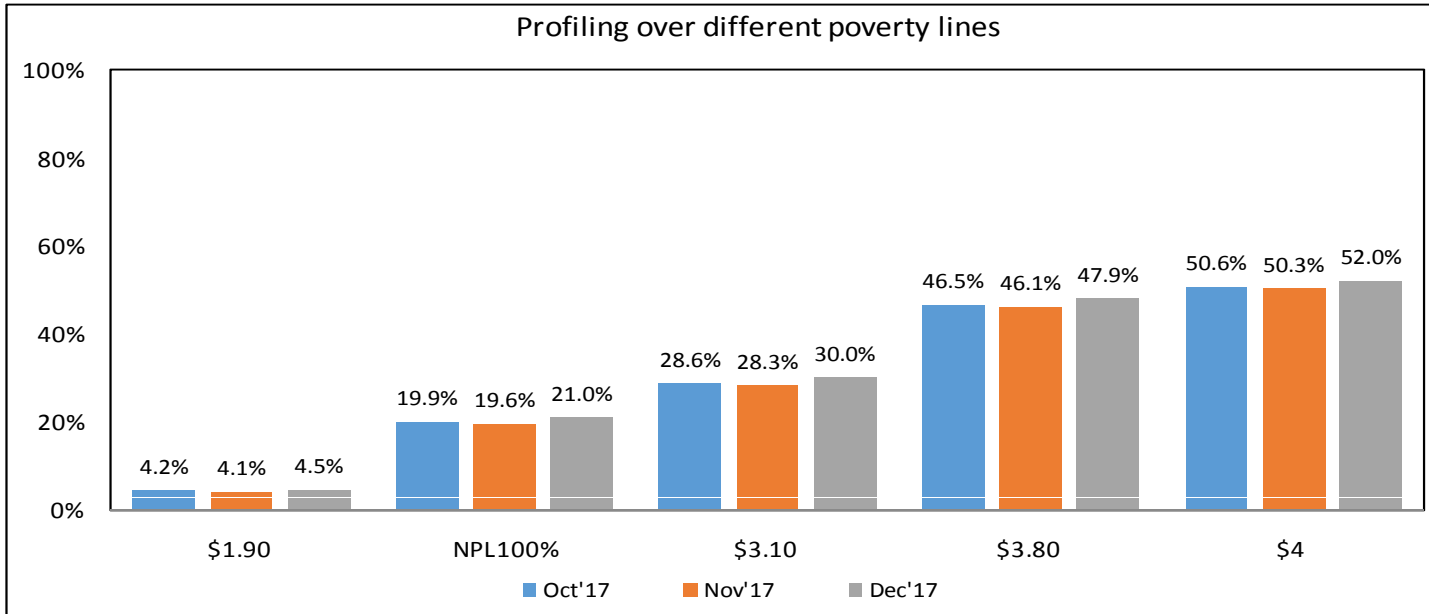
Trend Analysis

 Sales in Q3- FY'17: # 24,691 Sales Q3-FY'18: #118,857	 Sales in Q3- FY'17: # 6,177 Sales Q3-FY'18: #21,566
 Sales in Q3- FY'17: NA Sales Q3-FY'18: #1731	
 Sales in Q3- FY'17: # 1028 Sales Q3-FY'18: #2818	 Sales in Q3- FY'17: # 1514 Sales Q3-FY'18: #1063



Client Insights

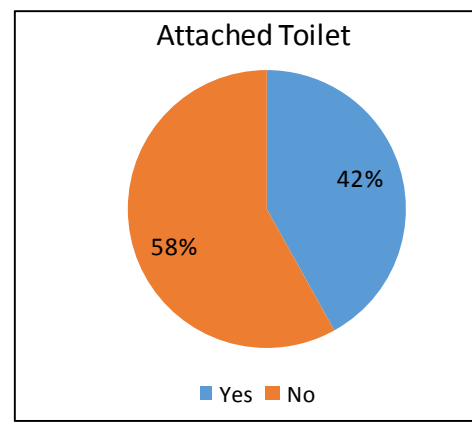
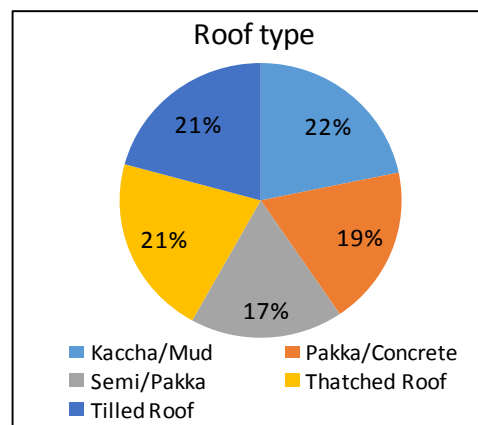
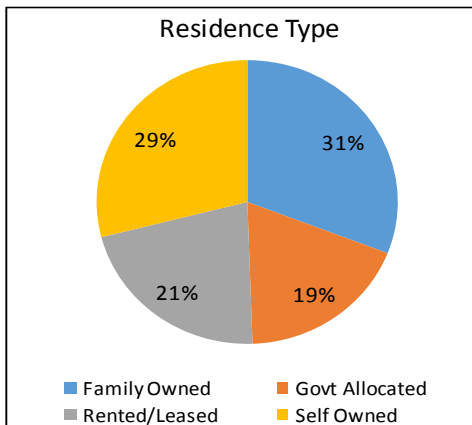
PPI Indicators



The poverty profile of Arohan's clients has been mapped for different poverty lines over the months. For eg, In Dec'17, 21% of Arohan's portfolio lies below the National Poverty Line of India and 52% below \$4.

Using this data, Arohan can determine the preferred segments for client targeting.

Profiling over the Social Indicators for December 2017

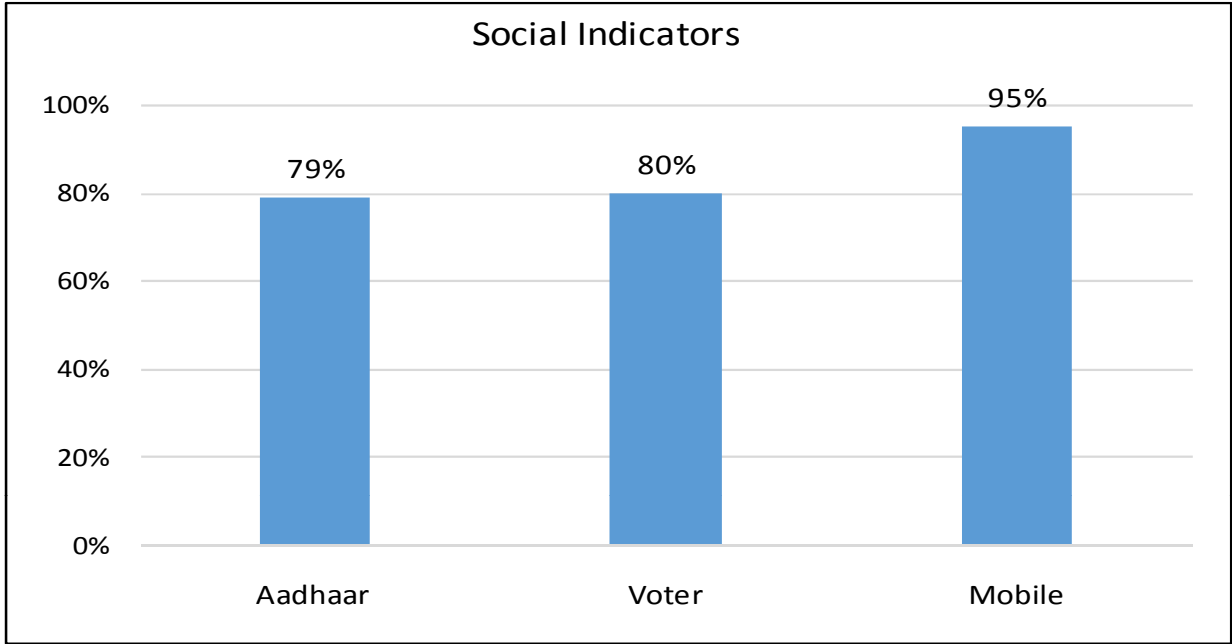


The interpretation of "Average of NPL 100%" in the month of December 2017 is that

- 19% reside in Govt. allocated houses
- 17% have Semi pakka roof type
- 42% do not have attached toilets whereas 58% have attached toilet.

Client Insights (Cond...)

Profiling over Arohan's Social Indicators for December 2017



This data indicates the % of Arohan's clients having Aadhaar card, Voter ID card and mobile phone for the month of December 2017.

Going Forward

Inclusion of Social Indicators like electricity connection, access to drinking water, % of children out of school, etc.

Inclusion of Financial Indicators like cash savings, usage of availed loan amount, facing emergency, taking loan to repay earlier debt, etc.

Correlation of different data points to understand the impact of poverty over different financial and social indicators

Using data measurement to enhance Financial Literacy, social awareness, women empowerment and overall improvement

THANK YOU