



Ref: SSFL/NSE/2023-24/083

Date: March 04, 2024

To  
National Stock Exchange of India Limited,  
Listing Department  
Exchange Plaza, C-1, Block G,  
BandraKurla Complex, Bandra (E),  
Mumbai - 400051

ISIN: INE572J07455 and INE572J07489

Dear Sir/Madam,

**Sub: Disclosure under Regulation 51 read with Part-B of Schedule III of Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 ('Listing Regulations').**

**Ref: Company's letter no.: SSFL/Stock Exchange/2023-24/107 dated October 30, 2023**

This has reference to the above referred letter dated October 30, 2023 wherein it was disclosed under No. 12 of the notes to the Unaudited Standalone Financial Results for the quarter and half-year ended September 30, 2023 that the Company is in non-conformity with specific covenant with respect to non-convertible debt securities issued by the Company.

Pursuant to the provisions of Regulation 51 read with Part B of Schedule III of Listing Regulations, the detail of such covenant which was in non-confirmation under the respective ISINs for the quarter and half-year ended September 30, 2023 along with its current status are detailed in **Annexure-1** to this letter.

Kindly take the above on your records.

Thanking You.

Yours Sincerely,  
For Spandana Sphoorty Financial Limited

**Vinay Prakash Tripathi**  
Company Secretary and Compliance Officer

*Encl: as above*

**Spandana Sphoorty Financial Limited**

CIN - L65929TG2003PLC040648

Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City,  
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**Annexure-1**

| ISIN                         | Financial Covenant  | Remarks         | Current status  |
|------------------------------|---|-----------------|---|
| INE572J07455<br>INE572J07489 | Min liquidity amt equivalent to next 3 months liabilities in the form of unencumbered cash & cash equivalents (assuming 100% haircut in collection) | Refer note (ii) | <p>This covenant continued to be non-compliant as on December 31, 2023 primarily due to reasons below:</p> <p>a) Increase in borrowings from ₹5,934 crore as of Mar-23 to ₹7,666 crore as of Dec-23</p> <p>b) Increase in liabilities has lead to a significant increase in cash and bank balance required to be maintained, which is not sustainable, since it would lead to non-compliance with the RBI regulations for NBFC-MFI in respect of complying with the Qualifying Assets criteria and may consequently impact the profitability of the Company.</p> <p>The Company was holding ₹1,242 crore in cash and cash equivalents as on December 31, 2023 against the required liquidity amount of ₹1,599 crore as per the term of debenture Trust deed. However, there are no cumulative mismatches across all the ALM buckets.</p> <p>The Board at its meeting held on January 22, 2024 approved the results for the quarter and nine months ended December 31, 2023 and took on record the aforesaid non-confirmation forming part of such results and same has been intimated to the stock exchanges.</p> |

- (i) Ratios have been computed using the formula as defined in the respective debenture trust deed.
- (ii) The Company held ₹1,462 crore in cash and cash equivalents of as on September 30, 2023 against the required liquidity amount of ₹1,878 crore as per the terms of debenture trust deed. However, there are no cumulative mismatches across all the ALM buckets. These two ISINs continue to be non-compliant primarily due to reasons below:
  - a) Increase in borrowings from ₹5,934 crore as of March, 2023 to ₹7,507 crore as on September, 2023
  - b) Increase in liabilities has led to a significant increase in cash and bank balance required to be maintained, which is not sustainable, since it would lead to non-compliance with the RBI regulations for NBFC-MFI in respect of complying with the Qualifying Assets criteria and may consequently impact the profitability of the Company.

**For Spandana Sphoorty Financial Limited**

**Vinay Prakash Tripathi**  
**Company Secretary and Compliance Officer**

**Spandana Sphoorty Financial Limited**

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