



Ref: SSFL/Stock Exchange/2022-23/51

Date: August 04, 2022

To  
BSE Limited,  
Department of Corporate Services  
P. J. Towers, 25<sup>th</sup> Floor,  
Dalal Street,  
Mumbai - 400001  
Scrip Code: 542759

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

Dear Sir/Madam,

**Sub: Press release on the financial and operational performance of the Company for quarter ended June 30, 2022**

**Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Please find enclosed herewith the press release on the financial and operational performance of the Company for the quarter ended June 30, 2022.

We request you to take the above information on record.

Thanking you.

Your Sincerely,  
**For Spandana Sphoorty Financial Limited**

**Ramesh Periasamy**  
**Company Secretary and Compliance Officer**

*Encl: as above*



Press Release

**Spandana Sphoorty announces Q1 FY 2023 Results.  
Does a one-time clean up off the portfolio, brings down NNPA to 3.4%**

Hyderabad, August 3, 2022: Spandana Sphoorty Financial Limited (NSE: SPANDANA, BSE: 542759) ("Spandana") announced its limited review unaudited financial results for quarter ended June 30, 2022.

Mr. Shalabh Saxena- Managing Director and CEO while commenting on the performance and future outlook of the Company said:

"We laid the foundation of Vision 2025 for Spandana and had clearly articulated the way forward for the next 3 years. We are measuring our steps & taking prudent calls to ensure that the next level of growth for the organization is built on a robust foundation. Post a detailed analysis of the portfolio we decided to write off ₹702 crs which was predominantly NPA of pre-March 21 book. We do not anticipate any material incremental write off from this portfolio in the current FY. The retained book is showing a strong collection efficiency of 106% thus giving us the confidence of a robust portfolio going forward".

Highlights of the Quarter:

Disbursements & New Member Acquisition - Q1 disbursement: ₹1,320 crs as against ₹216 crs in FY22 Q1, growth of 511% YoY. Our focus on customer acquisition continues. We acquired 1.06 lacs customers during the quarter. For the year, we have a target to take the base to 2.8 million customers which will be an incremental ~4.5 lacs for the year.

Consolidated Business Highlights: Q1 FY-2023

- Total Income – ₹259 crs
- Profit after tax – ₹220 crs loss
- AUM – ₹5,513 crs

Collection Efficiency:

Collection Efficiency continues to improve steadily. Retained asset book quality post write-off has a strong collection efficiency of 106%. Of the retained book, 87% have paid at-least 2 out of last 3 instalments for the quarter.

Key Ratios Q4 FY22:

- Debt Equity Ratio: low 1.1x leverage
- Provision: 274 crores (5% of portfolio)
- Gross NPA: 6.7% & Net NPA: 3.4% of the portfolio
- Net worth – ₹2,817 crs
- CRAR – 47.9%, providing significant balance sheet cushion and runway for future growth

Liquidity:

- Since April FY23, the Company raised ₹188 crs through debt.
- Company continues to maintain an adequate level of liquidity with ₹657 crs cash and bank balances as at 30 June 2022 (~3x of monthly liabilities)

## **About Spandana Sphoorty:**

Spandana Sphoorty Financial Ltd. is a rural-focused non-banking financial company and a microfinance lender (NBFC-MFI) with a geographically diversified presence in India. The company offers income generating loans under the joint liability group (JLG) model, predominantly to women from low-income households in rural areas. Spandana was started as an NGO in 1998 in Guntur, which later converted to an NBFC in 2004. In 2015, it transformed into an NBFC-MFI, licensed by the Reserve Bank of India.

## **Disclaimer**

*This press release is prepared for general information purposes only. The information contained herein is based on management information and estimates. It is only current as of its date, has not been independently verified and may be subject to change without notice. Spandana makes no representation or warranty, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness and completeness of the content hereof. Each recipient will be solely responsible for its own investigation, assessment and analysis of the market and the market position of Spandana. Spandana does not provide any guarantee or assurance with respect to any distribution or the trading price of its Shares.*

*This press release contains forward-looking statements based on the currently held beliefs, opinions and assumptions of the Management. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of Spandana or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, including the impact of COVID-19 on us, our borrowers and the Indian economy, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. Spandana disclaims any obligation to update these forward-looking statements to reflect future events or developments or the impact of events which cannot currently be ascertained, such as COVID-19. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward-looking statements.*

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