



Ref: SSFL/Stock Exchange/2022-23/093

Date: October 17, 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 the quarter ended September 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 September 30, 2022.

We request you to take the above information on record.

Thanking you.

Your Sincerely,

**For Spandana Sphoorty Financial Limited**  
**Ramesh**  
Periasamy  
**Ramesh Periasamy**  
**Company Secretary and Compliance Officer**

Digitally signed by Ramesh  
Periasamy  
Date: 2022.10.17 16:49:05  
+05'30'

*Encl: as above*



Press Release

**Spandana Sphoorty announces Q2 FY-23 Results:  
Consolidation Quarter for Spandana.  
Income up 20.1%, Disbursement up 5%, Net Interest Income up 35% QoQ.**

Hyderabad, October 17, 2022: Spandana Sphoorty Financial Limited (NSE: SPANDANA, BSE: 542759) ("Spandana") announced its unaudited financial results subject to limited review for quarter and half-year ended September 30, 2022.

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

"The Lenders confidence, Disbursement, Member Acquisition, Portfolio Quality are moving as per plan and in the right direction. We also continue to make progress on various Technology, Process, Risk, Audit & Control measures by strengthening them. Given the trajectory of growth that is required, we are planning to add substantial resources in the branches so that we are prepared for the scale up in the coming quarters".

Highlights of the Quarter were-

Ratings-

Ratings were under watch until Q1 FY-23. Post various developments in the operating environment all the 3 agencies dropped Ratings Watch & the Ratings now stand as-

- a) India Rating: A Stable. *Rating Watch with Negative Implication removed.*
- b) CRISIL: A Stable. *Ratings Watch with developing implications removed.*
- c) ICRA: A- Stable. *Ratings Watch with developing implications removed.*

Financial Results-

- a) Total Income: ₹311 crs (FY23 Q1 – ₹259 crs) - increase of 20.1% QoQ
- b) Net interest income: ₹219 crs (FY23 Q1 – 162 crs) - increase of 35.2% QoQ
- c) Yield: 19.5% (FY23 Q1 – 16.4%) - increase of 310 bps QoQ
- d) Cost of borrowings: 11.2% (FY23 Q1 – 11.8%) – decrease of 60bps QoQ
- e) Profit after tax: ₹55 crs (FY23 Q1 – 220 crs loss)

Member Acquisition, Disbursement & AUM-

Focus on customer acquisition continued. QoQ growth was 16%. Disbursement in the quarter was ₹1,391 crs as against ₹1,150 crs in Q2, FY22 a growth of 21% & a growth of 5% QoQ as compared to FY23-Q1 where the disbursement was ₹1,320 crs.

The AUM increased ~5% from ₹5,513 crs to ₹5,782 crs QoQ.

Collection Efficiency & Provisioning-

Collection Efficiency of the total book: Gross Collection Efficiency (including arrears) was at 101.3% and Net Collection Efficiency was at 93.3%. The GNPA was 7.47%, NNPA: 3.96 %. The total provision was 303 crs comprising 5.23 % of the AUM.

Mr Saxena further added: Spandana has a great distribution and a very good team of Branch staff in the field and in the Head Office. We are proud of our team and like in the past, we are confident that they will build a solid growth story onwards to Vision 2025 as articulated beginning of the year.

**About Spandana Sphoorty:**

Spandana Sphoorty Financial Limited. 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**

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*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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