



Ref: SSFL/Stock Exchange/2023-24/063

Date: July 24, 2023

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

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

Scrip Code: 542759

Symbol: SPANDANA

Dear Sir/Madam,

**Sub: Press release on the financial and operational performance of the Company for the quarter ended June 30, 2023.**

**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, 2023.

Kindly take the above on record.

Thanking you.

Yours sincerely,  
**For Spandana Sphoorty Financial Limited**

**Ramesh Periasamy**  
**Company Secretary and Chief 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,  
TSIIC, Raidurg Panmaktha, Hyderabad – 500081, Telangana

Ph: +9140-45474750 | [contact@spandanaspooorty.com](mailto:contact@spandanaspooorty.com) | [www.spandanaspooorty.com](http://www.spandanaspooorty.com)

## Spandana reports ₹119 Cr PAT in Q1FY24 against loss of ₹220 Cr a year ago. YoY NII up by 102%, AUM grows 60% to ₹8,848 Cr.

Mumbai, July 24, 2023: Spandana Sphoorty Financial Limited (NSE: SPANDANA, BSE: 542759) ("Spandana") announced its unaudited financial results for the quarter ended June 30, 2023 today. The results are in line with laid-out plans and the organization is well placed to deliver on its Vision 2025 targets.

### Highlights for Q1FY24:

- AUM - ₹8,848 Cr; +60% over Q1FY23 (₹5,513 Cr)
- Disbursement - ₹1,664 Cr; +26% over Q1FY23 (₹1,320 Cr)
- GNPA - 1.63% (2.07% in Q4FY23)
- NNPA - 0.49% (0.64% in Q4FY23)
- Total Income - ₹527 Cr; +104% over Q1FY23 (₹259 Cr)
- NII - ₹328 Cr; +102% over Q1FY23 (₹162 Cr)
- NIM - 14.2% vs 9.9% in Q1, FY23
- PAT - ₹119 Cr against loss of ₹220 Cr in Q1FY23

Mr. Shalabh Saxena, CEO and Managing Director of the company, while announcing the results stated, "Last year we wrote-off ₹702 Crores of portfolio in Q1FY23 resulting in net loss of ₹220 Cr for the quarter. Our focused efforts during FY23 resulted in an improvement in asset quality with GNPA improving from 18.7% end of FY22 to 1.63% at the end of Q1FY24. The progress over the last 4 quarters has yielded decent results both on the Quality & Growth perspective. We thank our teams and all the stakeholders for their support during the period and are confident that as a team we are well placed to deliver the goals of Vision 2025 which is ₹15,000 Cr of Micro Finance portfolio and upwards of ₹2,000 Cr in the Housing & Nano MSME loans."

Further he presented the highlights of Quarter 1, FY24:

1. AUM – ₹8,848 Cr a 60% growth over Q1FY23 (₹5,513 Cr) and 4% growth over Q4FY23 (₹8,511 Cr).
2. Disbursement & Member Acquisition – New customer acquisition led growth continues to be the focus with about 2.6 lakh new customers added during the quarter.
  - a. Disbursement was ₹1,664 Cr (Q1 FY23 – ₹1,320 Cr), YoY growth 26%.
  - b. New customer addition during the quarter was 2.6 Lacs (Q1 FY23 – 1.06 Lac), YoY growth 144%.
  - c. The borrower count at the end of quarter was 24 Lacs a growth of 13% over Q1FY23 (21 Lacs)
3. Asset Quality – Asset book continues to improve with current book at 97.1%.
  - a. GNPA – 1.63% (Q4 FY23 – 2.07%); & 6.69% as on 30-Jun-22
  - b. NNPA – 0.49% (Q4 FY23 – 0.64%); & 3.24% as on 30-Jun-22
  - c. PCR – Provision Coverage Ratio is 70.10%
4. Collection Efficiency-
  - a. Net collection efficiency improved further to 98.1% vs. 97.6% in Q4FY23.
  - b. Gross Collection Efficiency is at 101.5%
5. Borrowings-
  - a. ₹1,540 Cr was mobilized in Q1 FY24 v/s ₹155 Cr in Q1 FY23, a growth of 894%.
6. Financial Performance YoY-
  - a. Total Income: ₹527 Cr (₹259 Cr in Q1FY23) – growth of 104% YoY
  - b. Net interest income: ₹328 Cr (₹162 Cr in Q1FY23) – growth of 102% YoY
  - c. Yield: 24.0% (16.4% in Q1FY23) – improvement of 765 bps
  - d. NIM of the portfolio is 14.2% improvement of 434 bps over Q1 of previous year.
  - e. Pre-Provision Operating Profit (PPOP): ₹189 Cr (₹51 Cr in Q1 FY23) – growth of 273%
  - f. Profit after tax: ₹119 Cr during the quarter as against a loss of ₹220 Cr reported in Q1FY23.

Mr. Saxena added, "With the building blocks in place, we are now expanding our physical presence across the states where we see good potential to be a player with meaningful share of the market. We are taking steps like extending LAP (Loan Against Property) & Housing product to new geographies, refining the distribution model, continuing our focus on governance & most importantly investing in our people. All of these will ensure a robust future proof organization."

**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 became an NBFC-MFI, licensed by the Reserve Bank of India.

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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.*

**Investor Contact:**

Mr. Rahul Dhamale  
Head – Investor Relations  
Contact: +91 40 45474763  
Investor.relations@spandanaspchoorty.com

Strategic Growth Advisors Pvt. Ltd  
Abhishek Shah / Krunali Shah  
Contact: +91 99306 51660 / +91 98209 87564