



Ref: SSFL/Stock Exchange/2023-24/111

Date: October 30, 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  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400051

Dear Sir/Madam,

**Sub: Investor presentation on the unaudited financial results of the Company for the quarter and half year ended September 30, 2023.**

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

Pursuant to Regulation 30 of SEBI LODR Regulations, please find enclosed herewith a copy of Investor Presentation of the Company on the unaudited financial results for the quarter and half year ended September 30, 2023.

Kindly take the same on record.

Thanking you.

Yours sincerely,

**For Spandana Sphoorty Financial Limited**

**Ramesh Periasamy**

Digitally signed by Ramesh  
Periasamy  
Date: 2023.10.30 15:49:39 +05'30'

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

*Encl: as above*

**Spandana Sphoorty Financial Limited**

CIN - L65929TG2003PLC040648

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*Madhubani Art*



**SPANDANA**  
Spandana Sphoorty Financial Limited

**Q2 FY24 Investor Presentation**



# Safe Harbor



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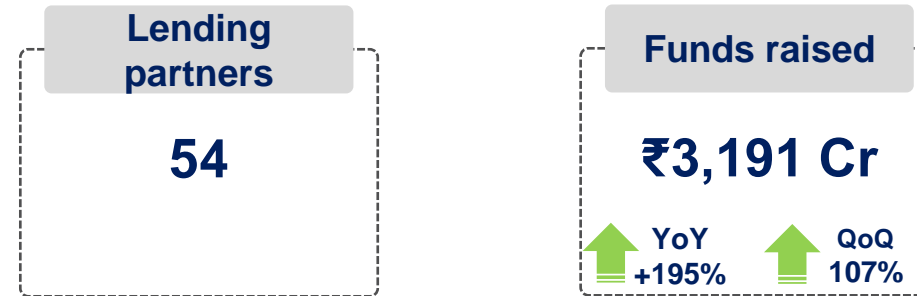
# YOY - AUM up 69%, customer Acquisition up 183%, PAT up 127%, Income up 106%



## Delivering customer acquisition led growth



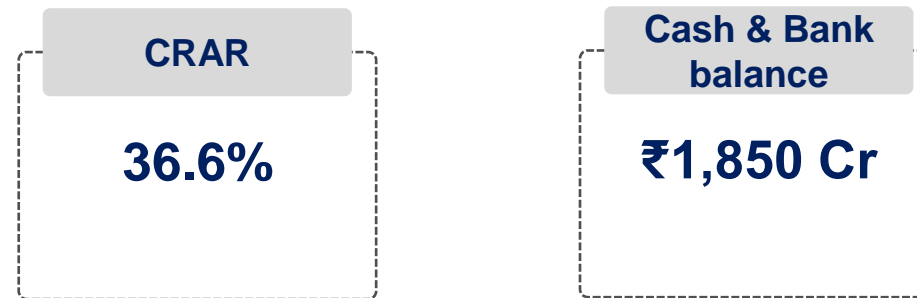
## Deepening lender relationships



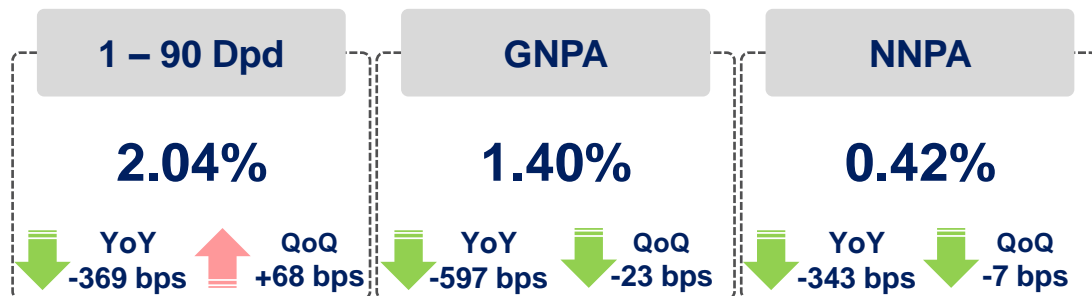
## Strong growth in Disbursement & AUM



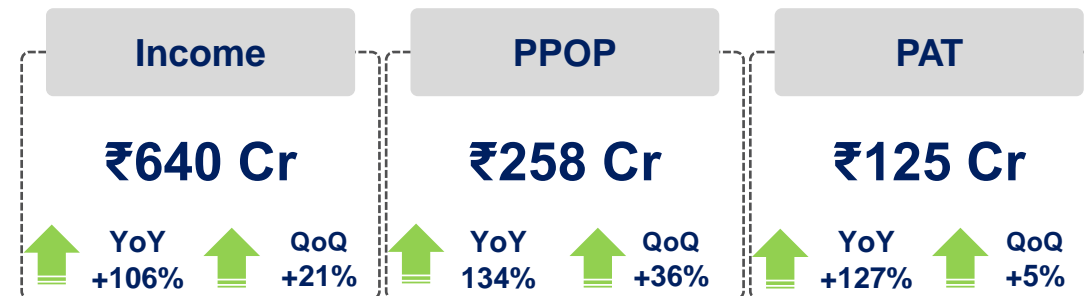
## Comfortable cash & capital position



## Stable portfolio quality



## Robust financial performance

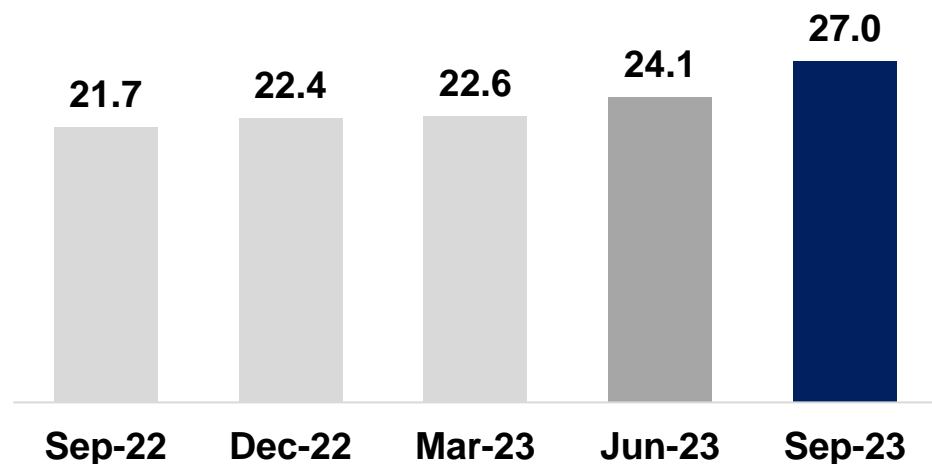


# 24% YoY growth in borrower base

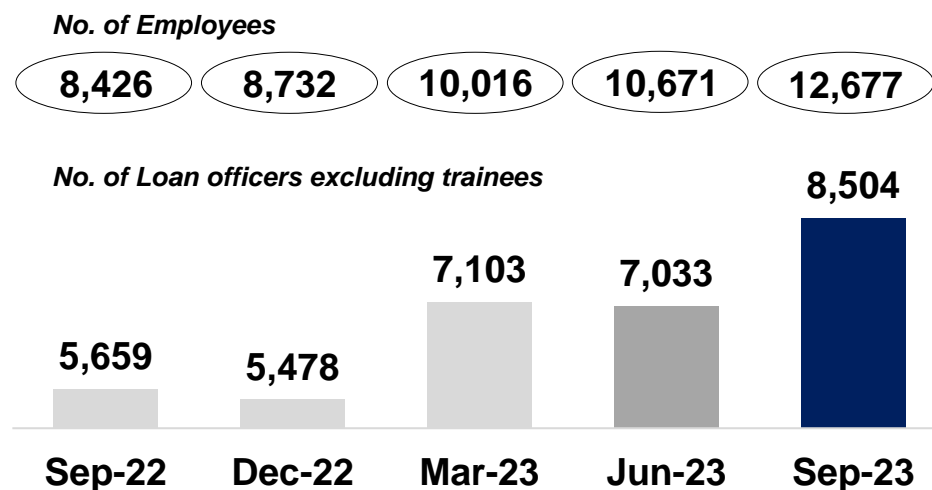
Momentum on increasing distribution sustained – 199 new branches added



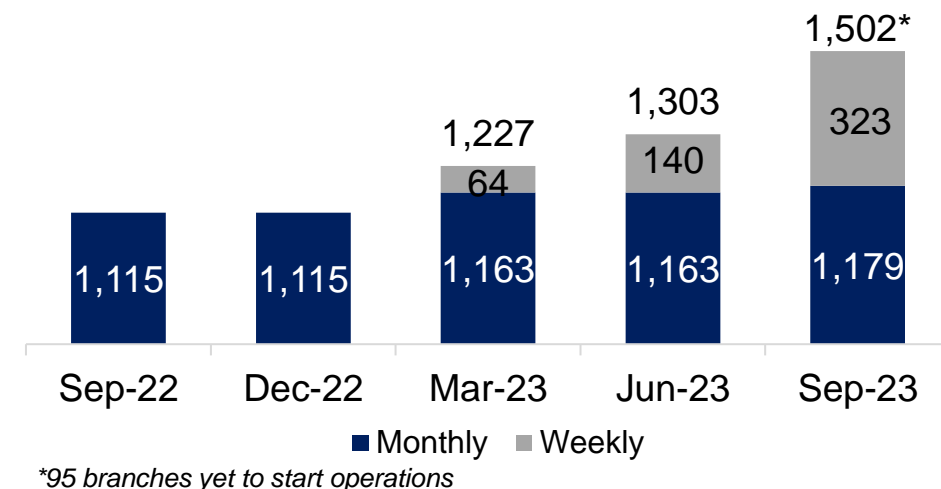
## No. of borrowers (in L)



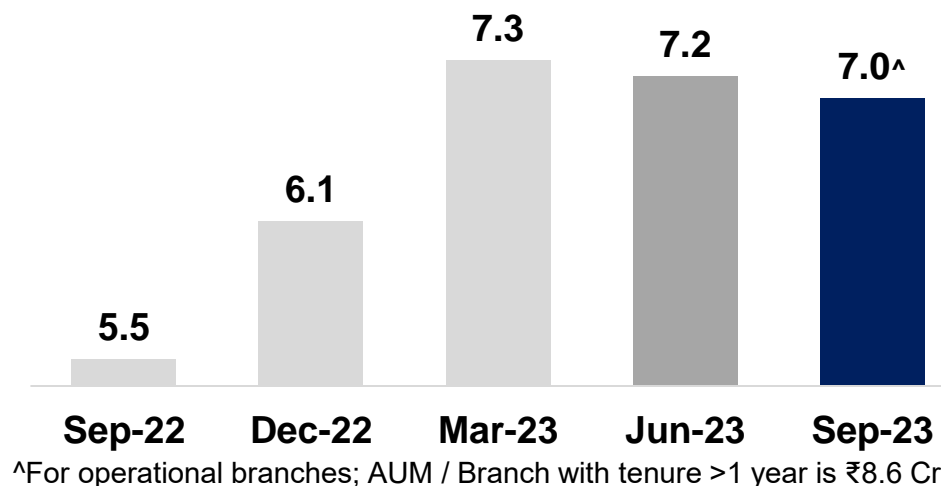
## Number of employees



## Branch count



## AUM per branch (₹ Cr)

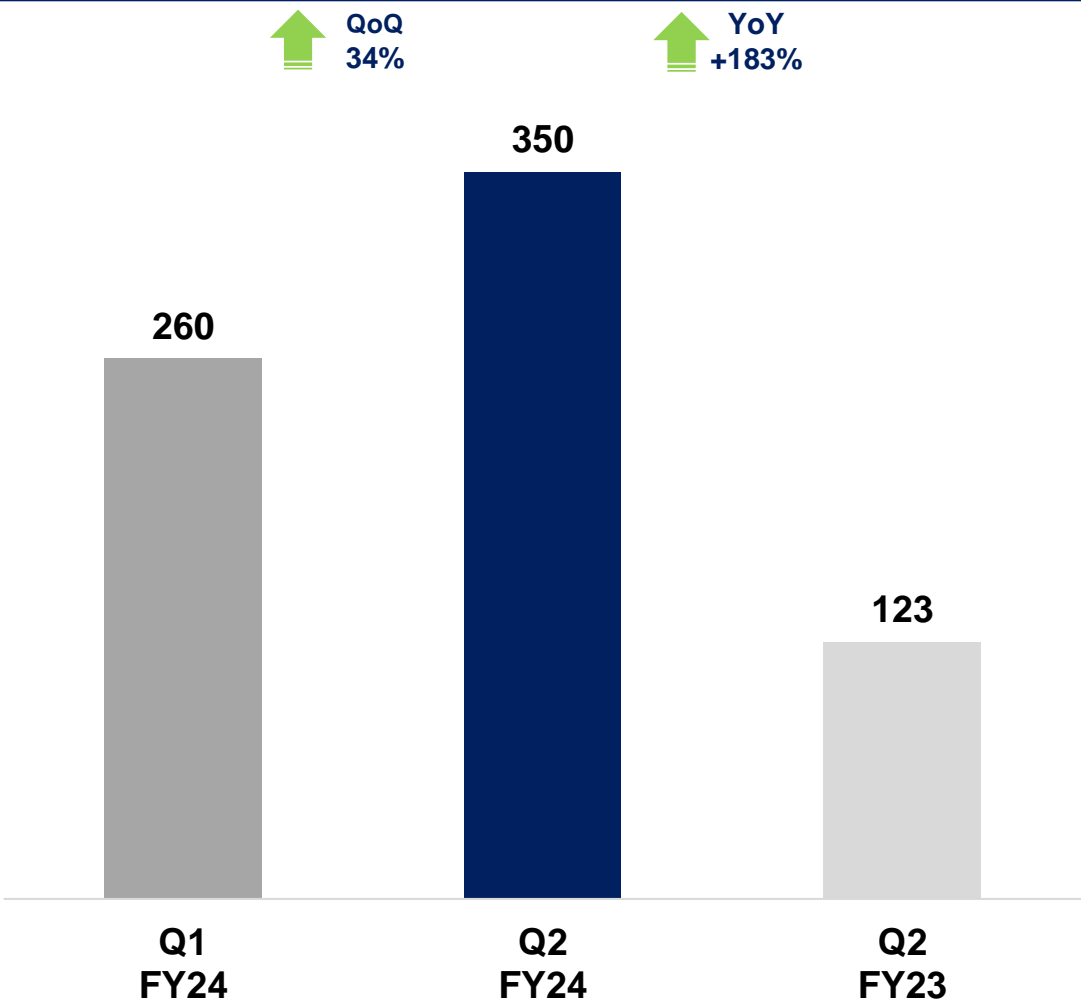


# Focus on new customer acquisition sustained

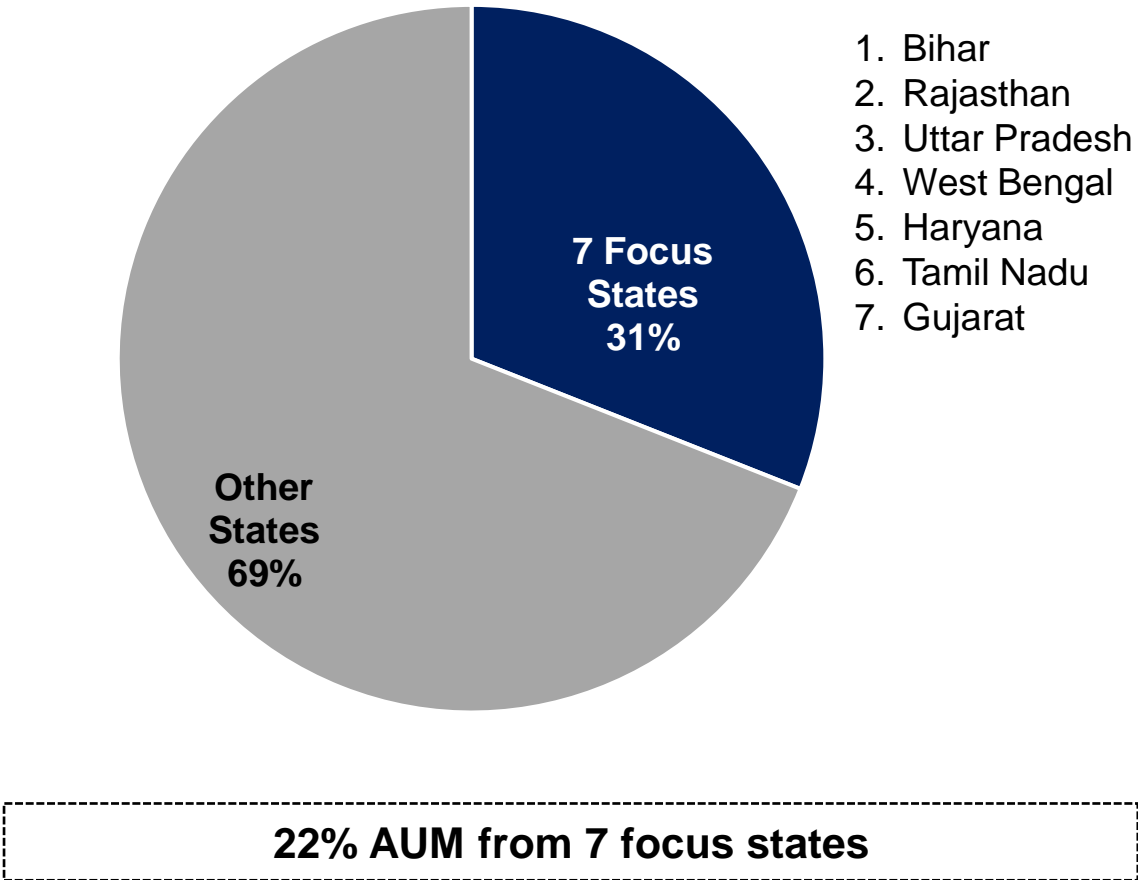
183% YoY growth in borrower addition; ~31% new borrowers from 7 focus states



New customers acquired (in '000)



31% customer acquisition from 7 focus states

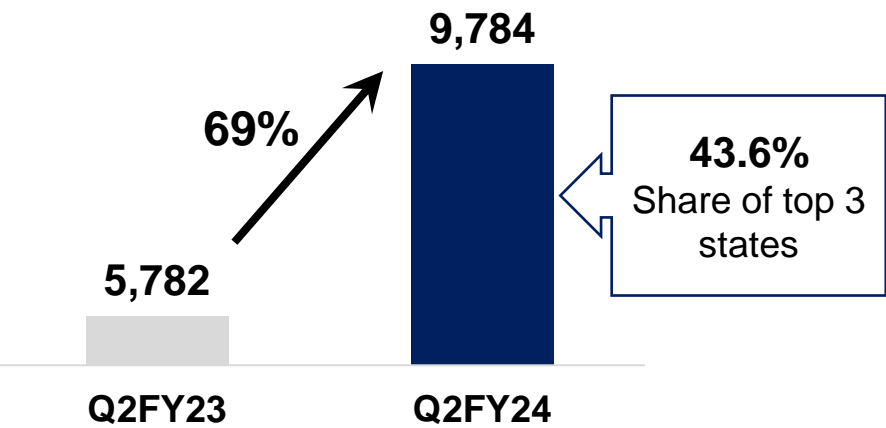


# AUM growth momentum continues

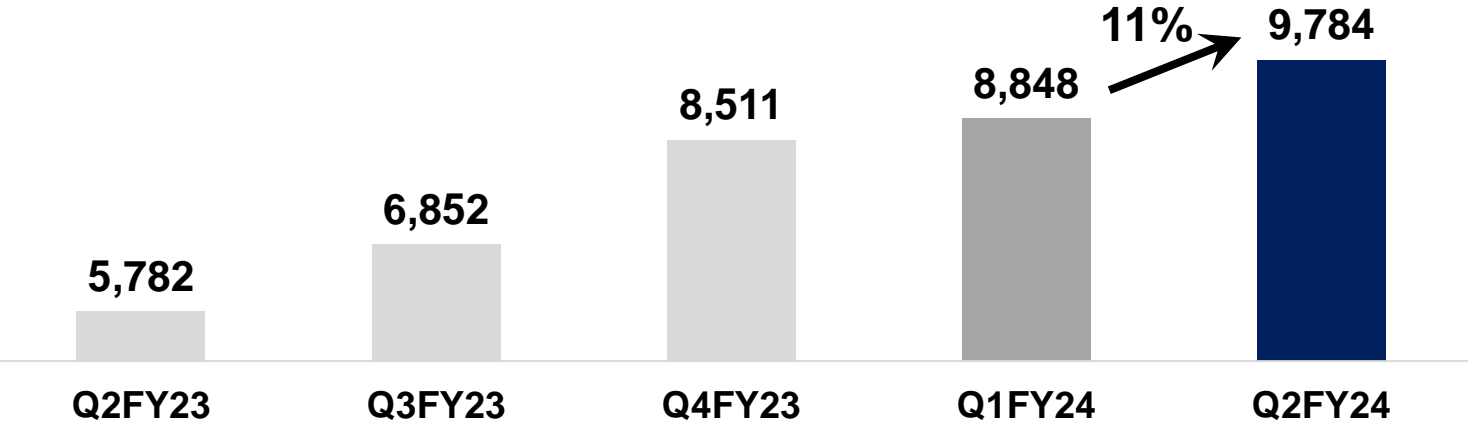
~69% YoY growth in AUM; 81% YoY growth in Disbursement



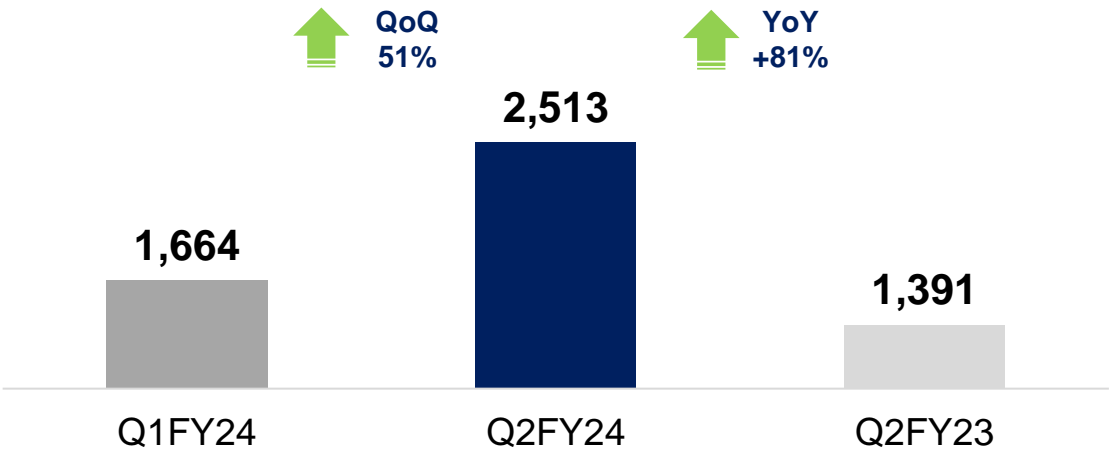
AUM (₹ Cr) - YoY Growth of 69%



AUM (₹ Cr) – QoQ Growth of 11%



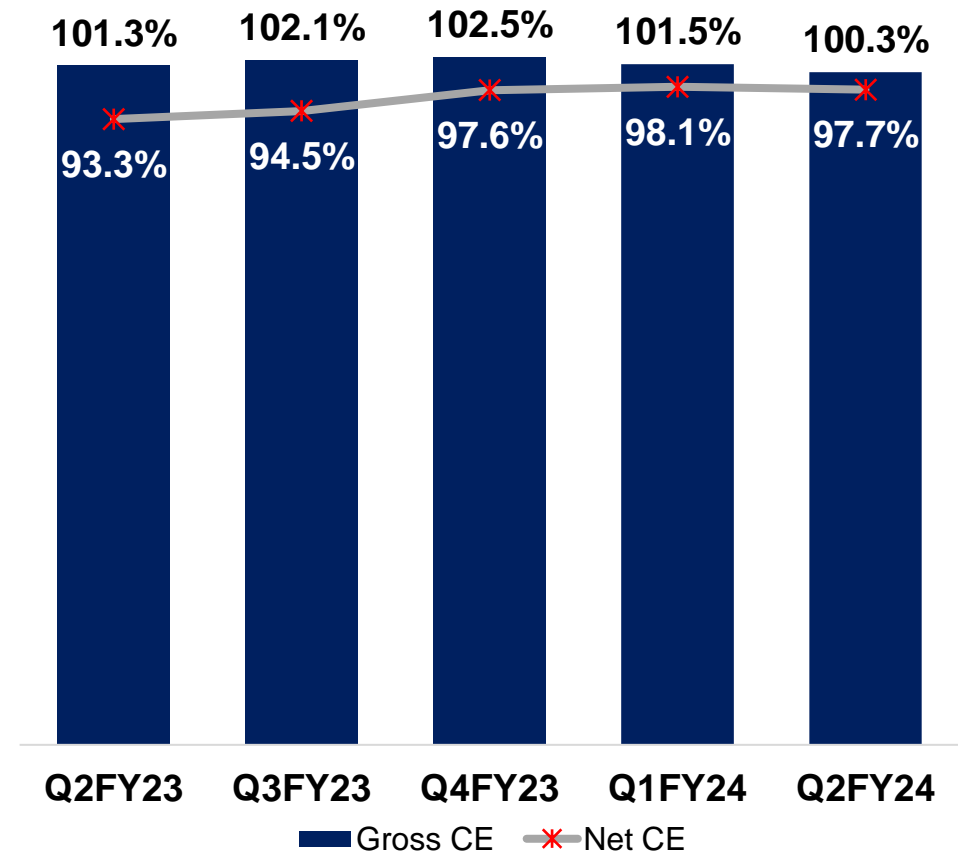
Disbursement (₹ Cr)



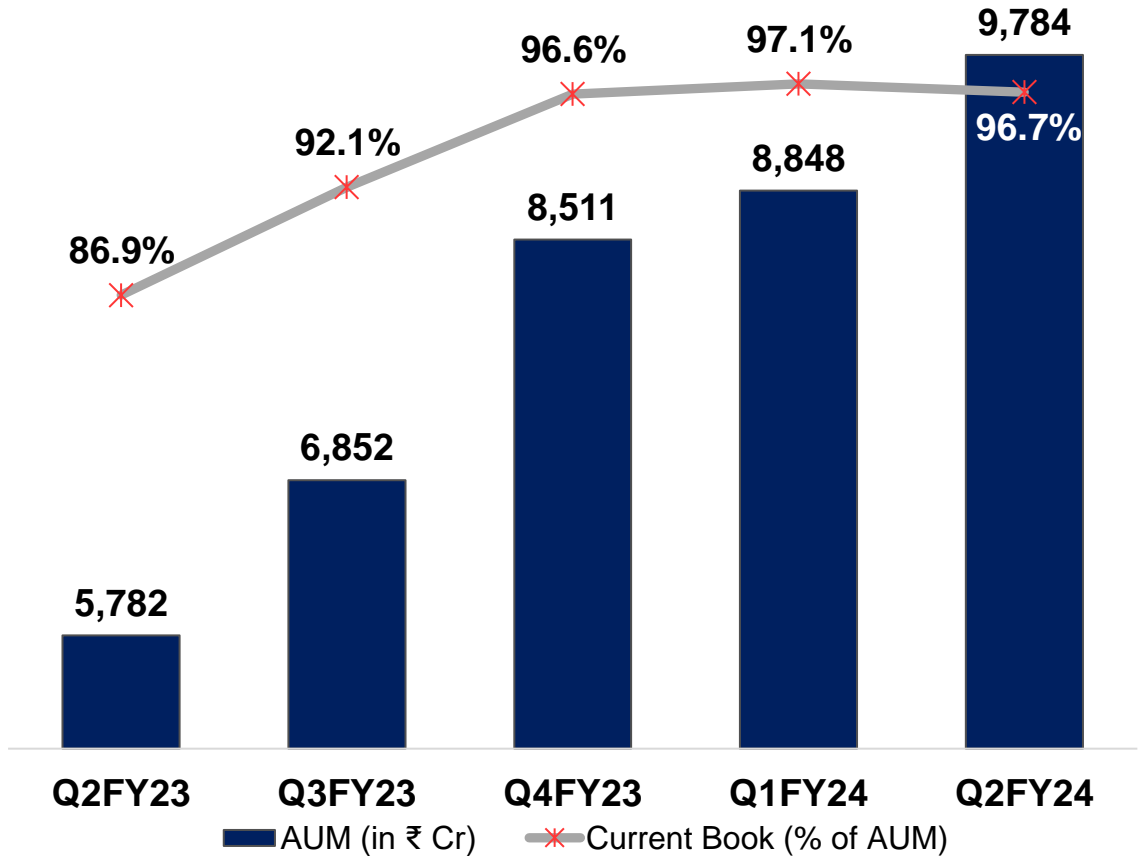
# Net Collection Efficiency at 97.7%, Current book at 96.7%



Collection Efficiency (%)



AUM (₹ Cr) & Current book (%)

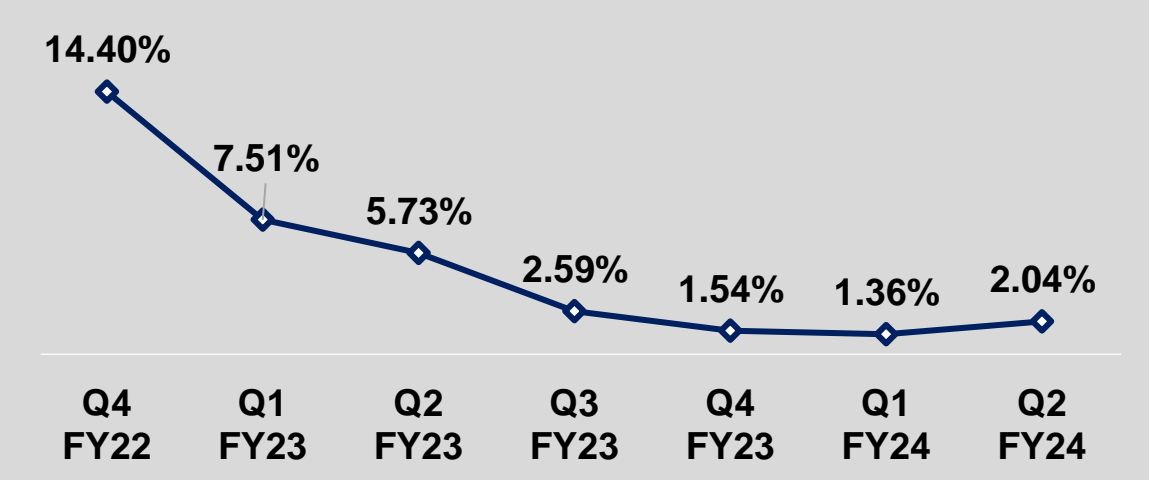




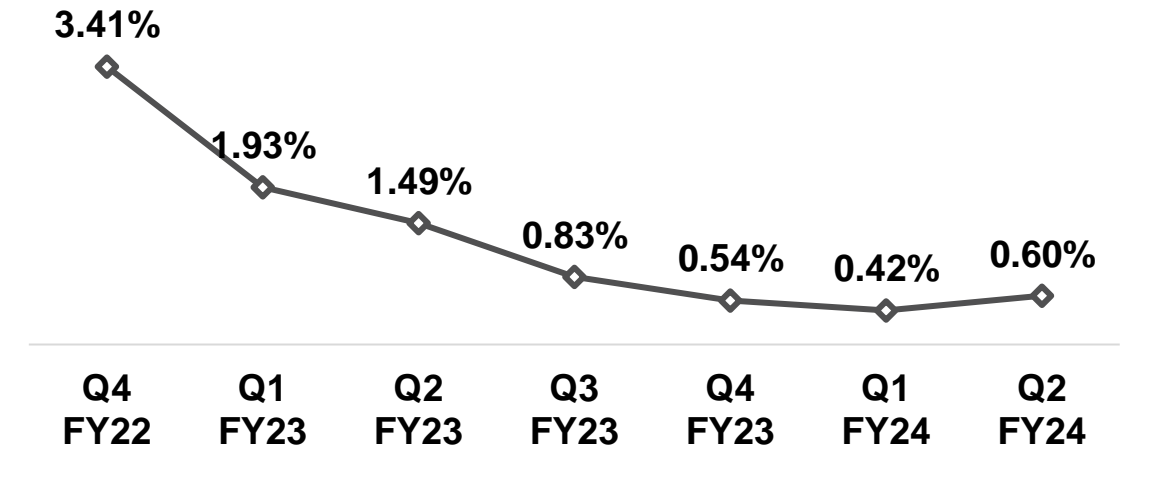
# Portfolio quality: 1-90 book at 2.04%



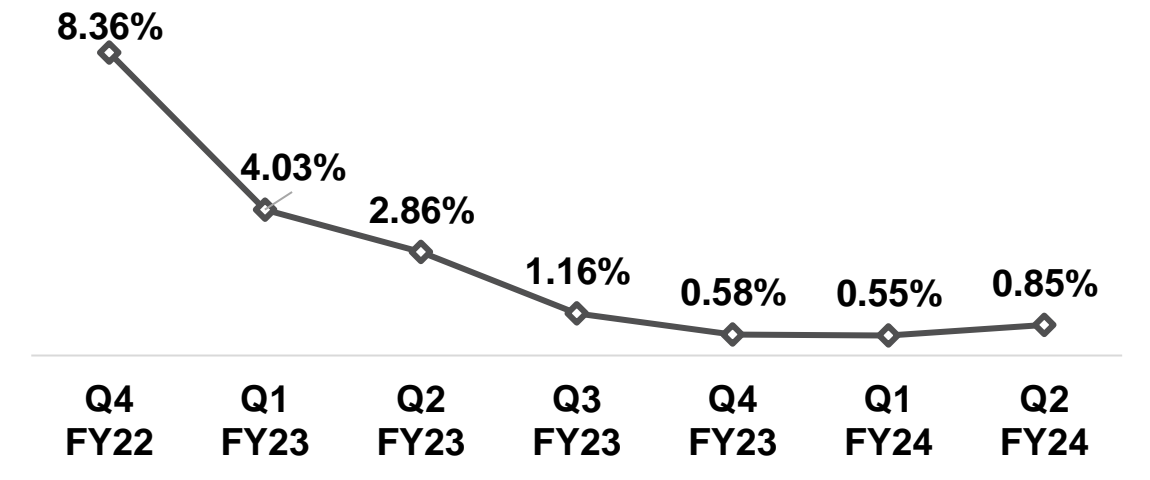
1 – 90 dpd



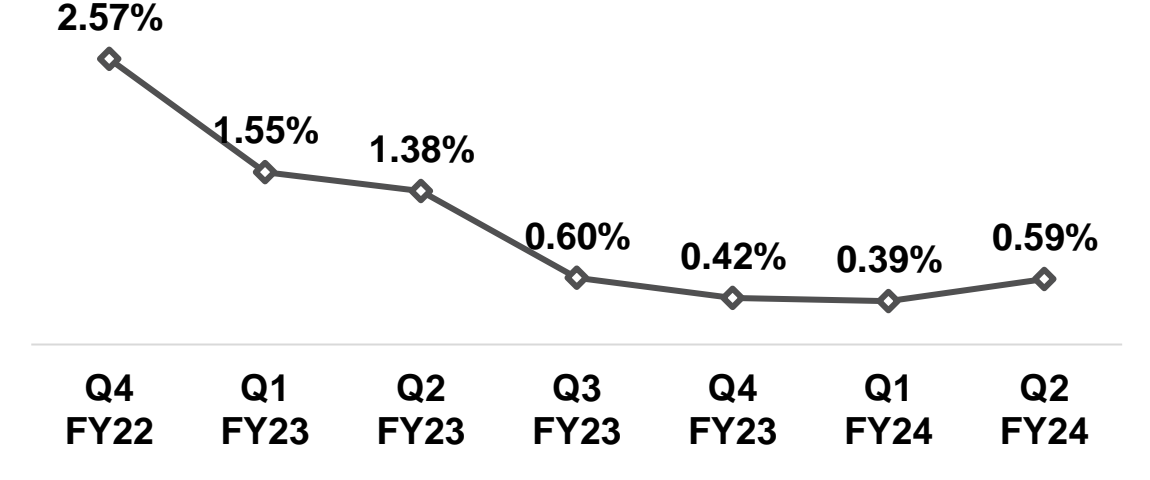
31 – 60 dpd



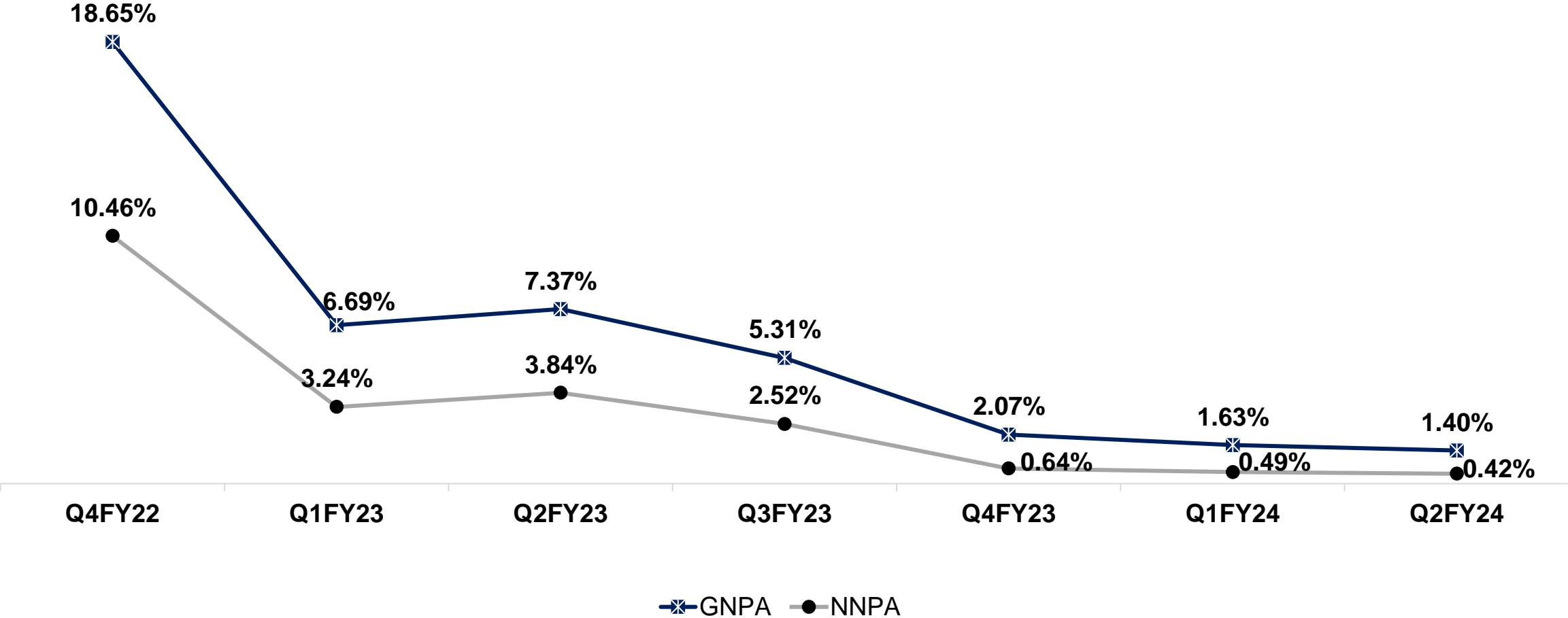
1 – 30 dpd



61 – 90 dpd



# GNPA reduces to 1.40%; NNPA at 0.42%



# Portfolio risk sufficiently covered with PCR at 70.26%



Provisioning & Coverage	Q2 FY24				Q1 FY24			
	Loans Outstanding (₹ Cr)	% of Loans Outstanding	ECL Provision (₹ Cr)	Coverage	Loans Outstanding (₹ Cr)	% of Loans Outstanding	ECL Provision (₹ Cr)	Coverage
<b>Stage 1</b>	<b>8,817</b>	<b>97.41%</b>	<b>85</b>	<b>0.96%</b>	<b>8,191</b>	<b>97.56%</b>	<b>85</b>	<b>1.04%</b>
Current	8,740	96.56%	82	0.94%	8,144	97.01%	84	1.03%
- 1-30	77	0.85%	2	3.07%	46	0.55%	1	2.97%
<b>Stage 2</b>	<b>107</b>	<b>1.19%</b>	<b>43</b>	<b>39.68%</b>	<b>68</b>	<b>0.81%</b>	<b>26</b>	<b>38.59%</b>
<b>Stage 3</b>	<b>127</b>	<b>1.40%</b>	<b>89</b>	<b>70.26%</b>	<b>137</b>	<b>1.63%</b>	<b>96</b>	<b>70.10%</b>
<b>Total</b>	<b>9,052</b>	<b>100%</b>	<b>216</b>	<b>2.39%</b>	<b>8,395</b>	<b>100%</b>	<b>207</b>	<b>2.47%</b>

	Q2 FY24		Q1 FY24	
	SSFL	Consolidated	SSFL	Consolidated
GNPA	1.27%	1.40%	1.49%	1.63%
NNPA	0.38%	0.42%	0.45%	0.49%
PCR	70.00%	70.26%	70.00%	70.10%

Impairment on financial instruments in Q2FY24	Amount (₹ Cr)	% of average loan O/s
- On write-off's	6.43	
- On GNPA	8.03	
- On stage 1, 2 & others	17.18	
<b>Sub-total</b>	<b>31.64</b>	<b>1.4%</b>
<b>Others*</b>	<b>58.41</b>	<b>2.6%</b>
<b>Total</b>	<b>90.05</b>	<b>4.1%</b>

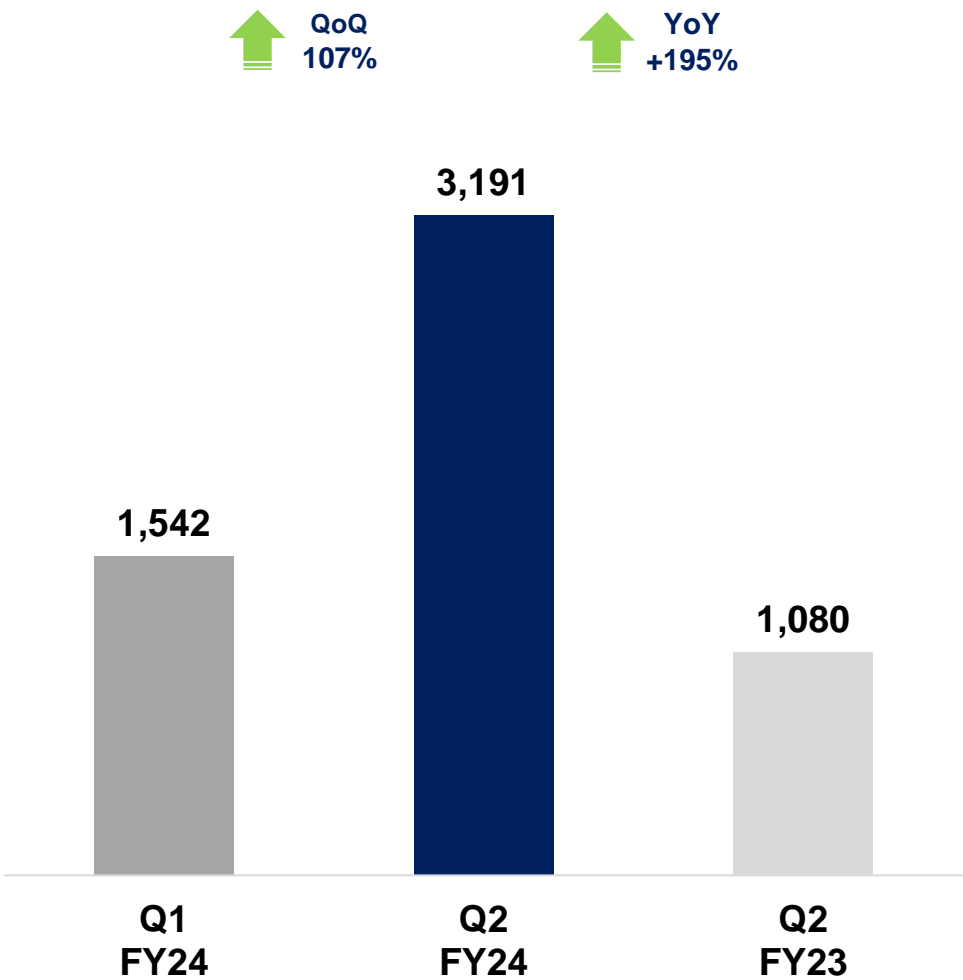
\* Represents impairment cost pertaining to loans disbursed prior to April'21 & Security Receipts

# Liability relationships being strengthened

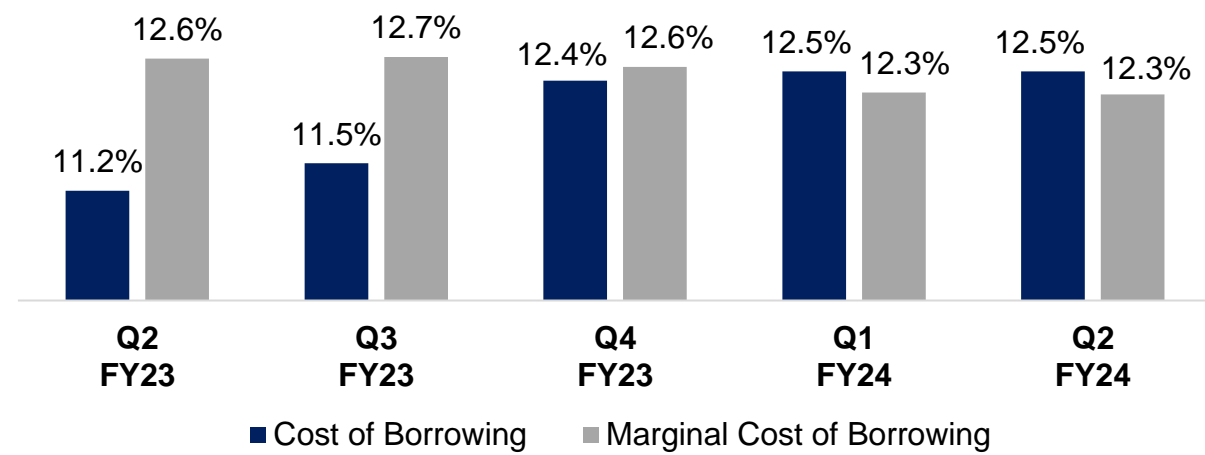
~195% YoY growth in fund mobilization



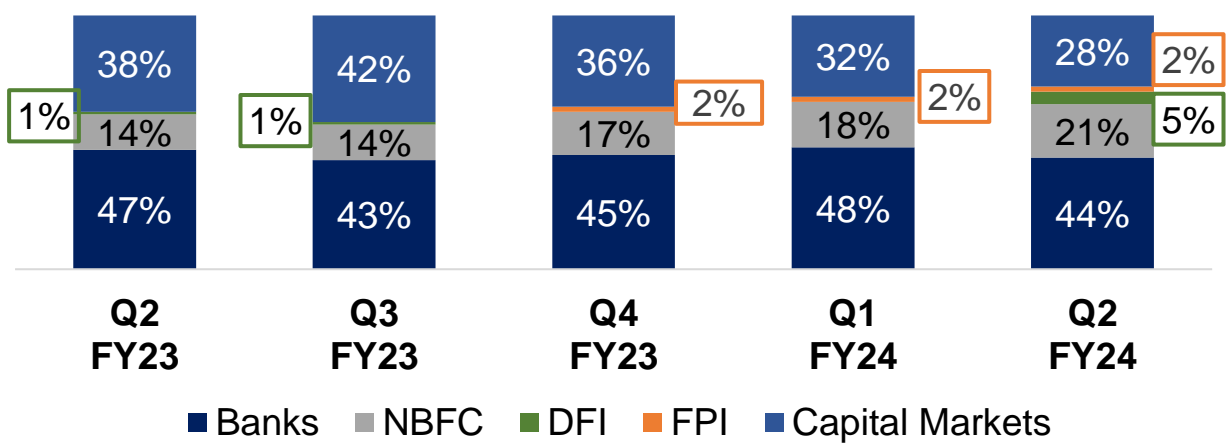
## Incremental borrowing (in ₹ Cr)



## Cost of borrowing



## Diversified borrowing mix

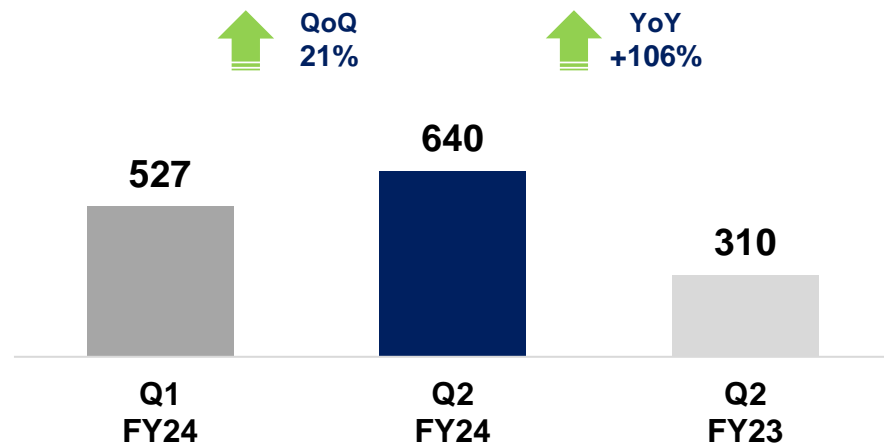


# Income and profitability continue to trend higher

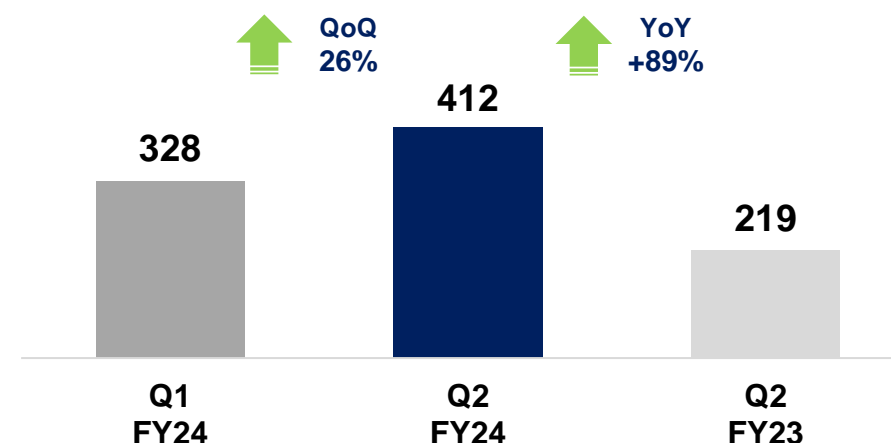
YoY – Net Income up 89%, PAT up 127%



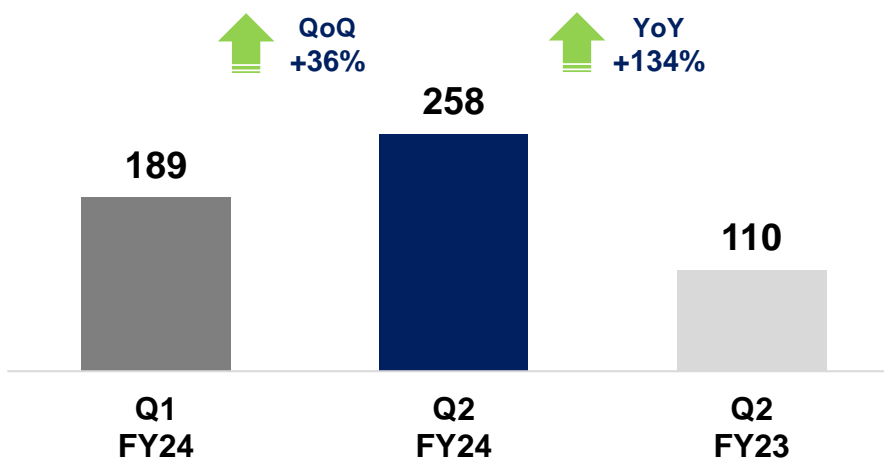
## Total Income\* (₹ Cr)



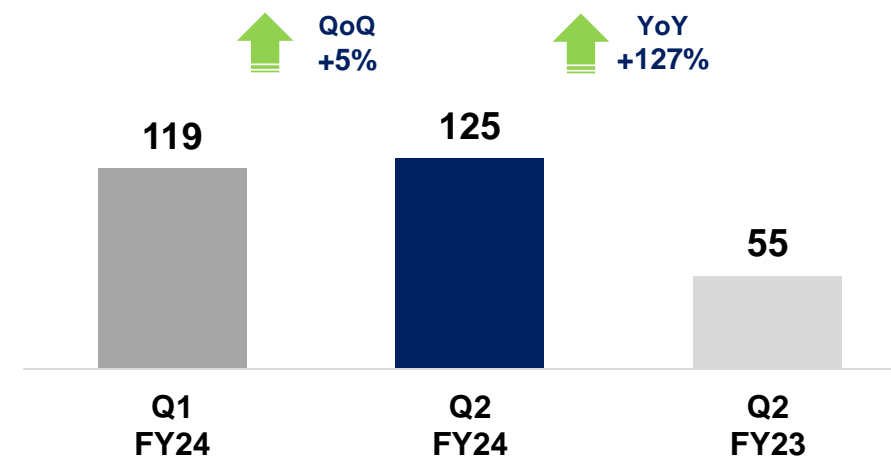
## Net Income\*^ (₹ Cr)



## PPOP\* (₹ Cr)



## PAT (₹ Cr)



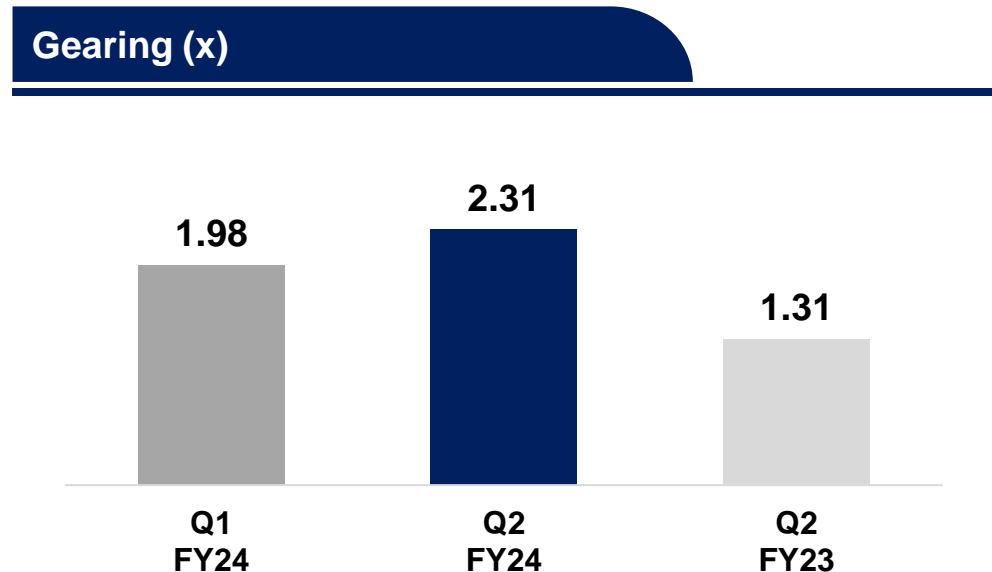
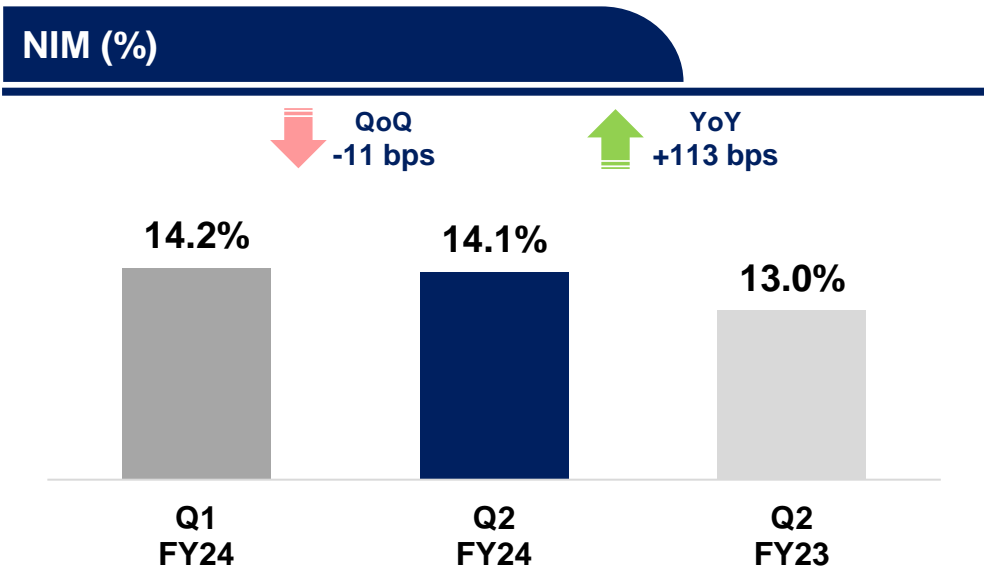
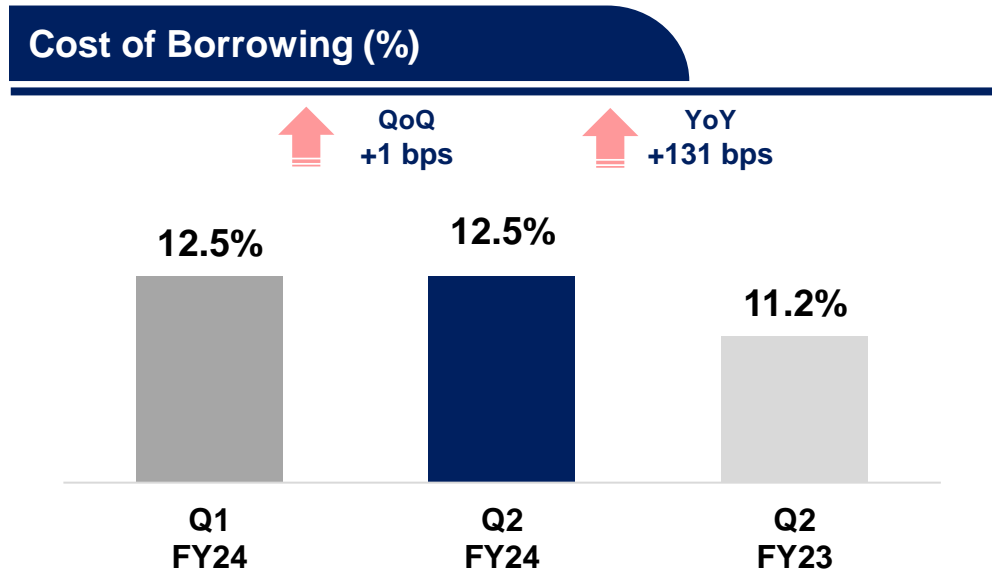
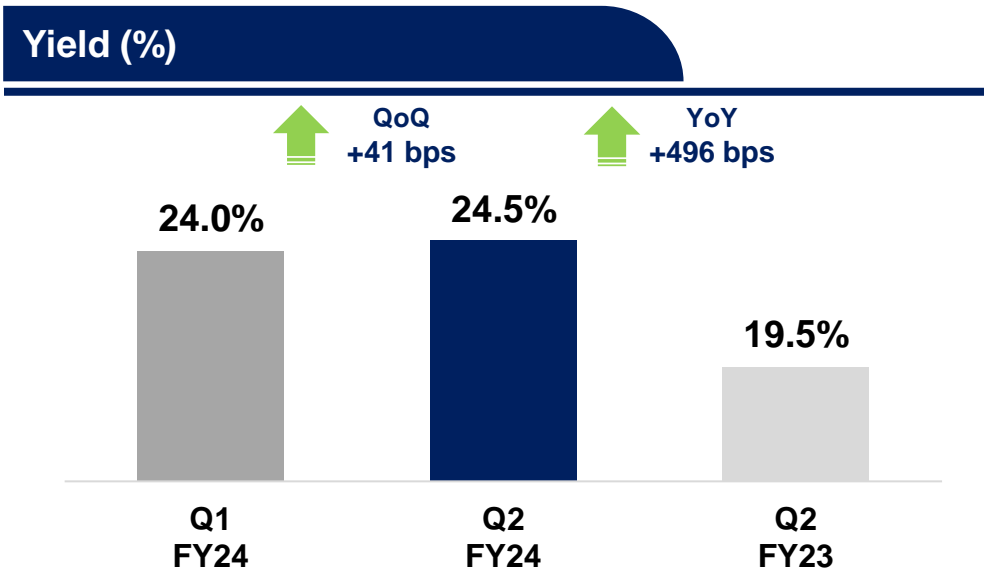
\*Includes Net gain on fair value change of ₹42 Cr toward DA transaction undertaken in Q2FY24 & ₹3 Cr in Q1FY24

^Net Income = Total income less finance cost



# Yields improve further while NIM remains stable

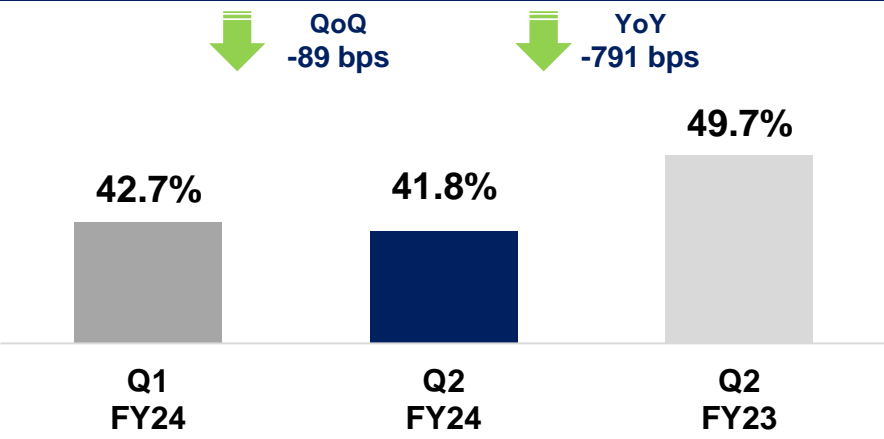
NIM stable at 14.1% and yield improves to 24.5%



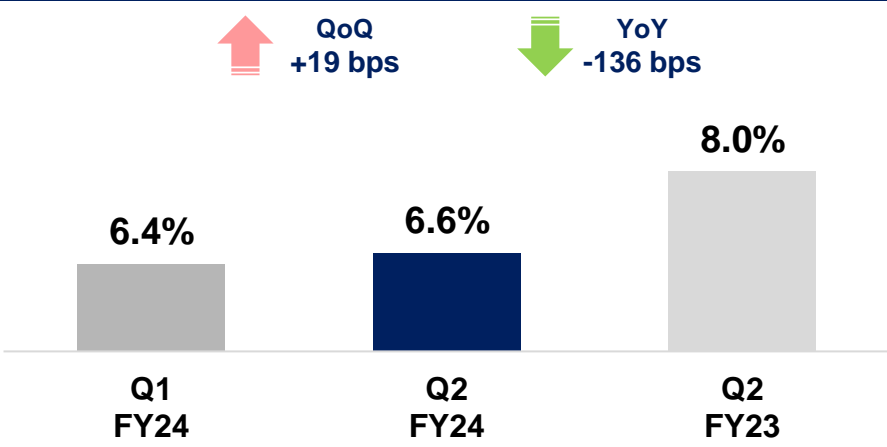
# ROA at 5.7%, Cost to Income at 41.8%, ROE at 15.1%



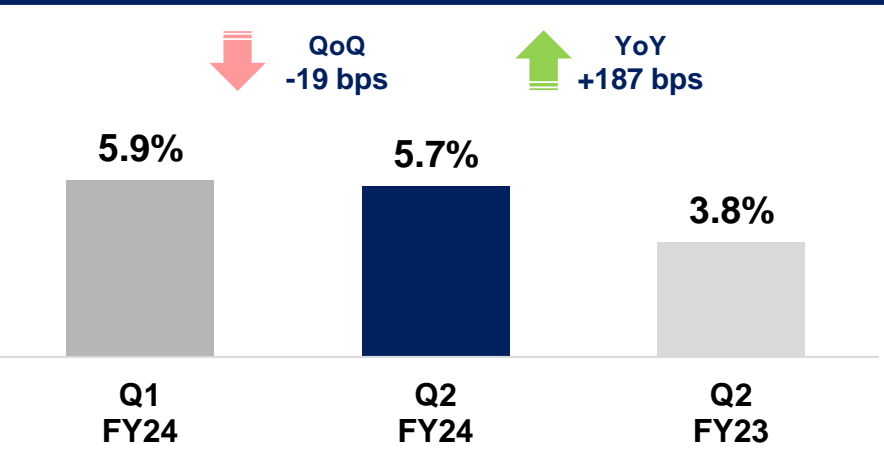
## Cost to income\* (%)



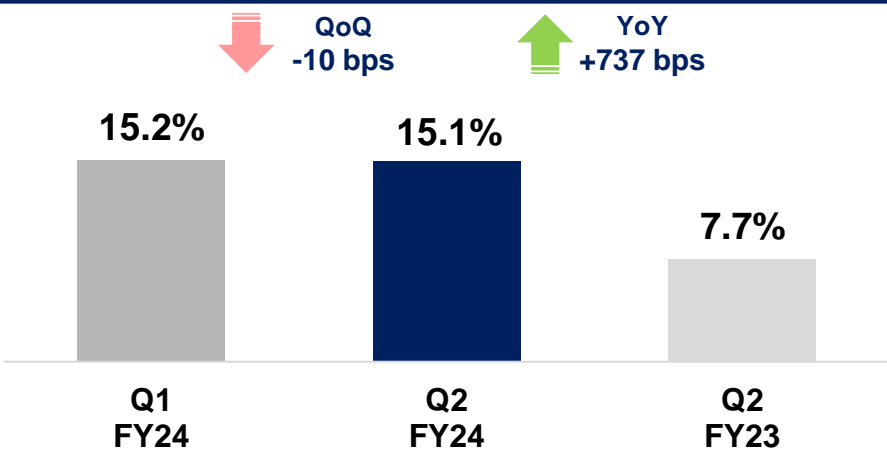
## Opex to AUM (%)



## ROA (%)

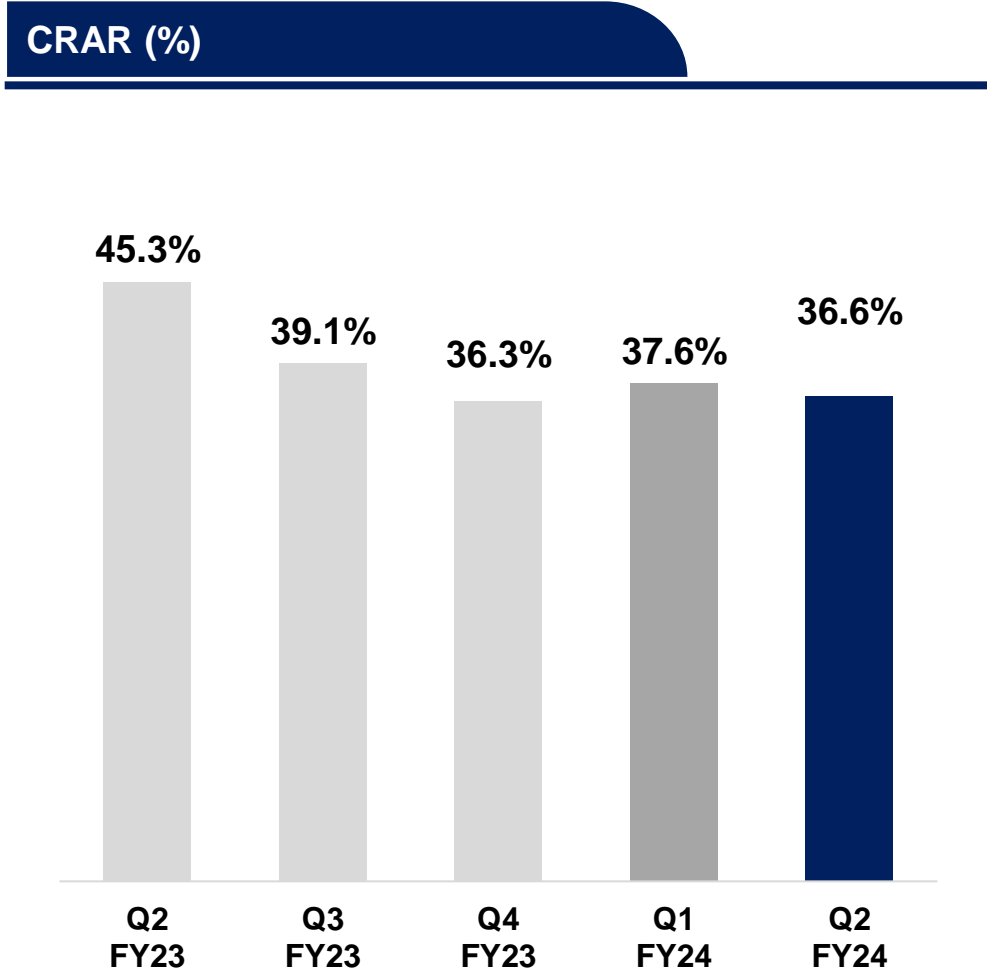
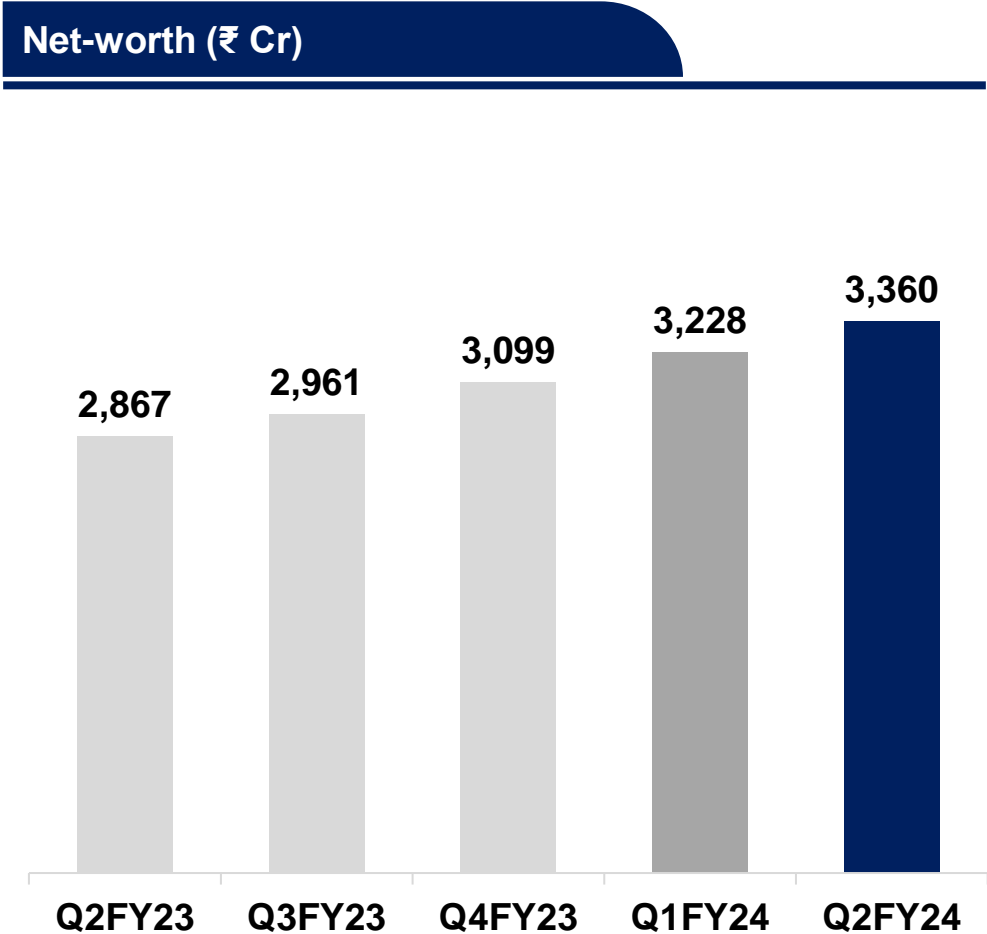


## ROE (%)



\*Normalized for Net gain on fair value change of ₹42 Cr toward DA transaction undertaken in Q2FY24 & ₹3 Cr in Q1FY24

# Net-worth increases to ₹3,360 Cr; CRAR at 36.6%



# Consolidated Income Statement



Particulars (₹ Cr)	Q2 FY24	Q1 FY24	Q2 FY23	QoQ	YoY	H1FY24	H1FY23	YoY
<b>Revenue from Operations</b>								
Interest income	540	490	276	10%	95%	1,029	520	98%
Net gain on fair value changes	60	13	6	370%	845%	73	10	601%
Other Income	11	9	15	15%	(29)%	20	17	16%
<b>Total income from operations</b>	<b>610</b>	<b>512</b>	<b>298</b>	<b>19%</b>	<b>105%</b>	<b>1,122</b>	<b>548</b>	<b>105%</b>
Non-operational Income	30	16	12	91%	140%	46	21	117%
<b>Total income</b>	<b>640</b>	<b>527</b>	<b>310</b>	<b>21%</b>	<b>106%</b>	<b>1,168</b>	<b>569</b>	<b>105%</b>
Finance cost	228	200	91	14%	149%	427	188	127%
<b>Net Income</b>	<b>412</b>	<b>328</b>	<b>219</b>	<b>26%</b>	<b>89%</b>	<b>740</b>	<b>381</b>	<b>94%</b>
<b>Expenses</b>								
Employee benefit expense	112	103	72	9%	56%	215	151	42%
Depreciation and amortization expense	5	3	2	45%	93%	8	5	69%
Other expenses	38	32	35	18%	11%	71	65	10%
<b>Total Expenses</b>	<b>155</b>	<b>139</b>	<b>109</b>	<b>12%</b>	<b>42%</b>	<b>294</b>	<b>220</b>	<b>33%</b>
<b>Pre-Provision Operating Profit (PPOP)</b>	<b>258</b>	<b>189</b>	<b>110</b>	<b>36%</b>	<b>134%</b>	<b>447</b>	<b>161</b>	<b>178%</b>
Impairment on financial instruments and other provisions	90	29	26	215%	250%	119	377	(69)%
<b>Profit before Tax</b>	<b>168</b>	<b>161</b>	<b>84</b>	<b>4%</b>	<b>99%</b>	<b>328</b>	<b>(217)</b>	
Tax expense	42	41	29	3%	45%	83	(52)	
<b>Profit after tax</b>	<b>125</b>	<b>119</b>	<b>55</b>	<b>5%</b>	<b>127%</b>	<b>245</b>	<b>(165)</b>	

# Consolidated Balance Sheet



ASSETS (₹ Cr)	Sep 30, 2023	Mar 31, 2023
<b>Financial Assets</b>		
Cash and bank balances	1,850	1,005
Loan Portfolio	8,862	7,760
Investments	129	189
Other financial assets	145	122
<b>Total Financial Assets</b>	<b>10,986</b>	<b>9,076</b>
<b>Non-Financial Assets</b>		
Inventories	-	1
Current tax assets (net)	91	40
Deferred tax assets (net)	121	197
Property, Plant and Equipment	28	25
Intangible assets	5	5
Goodwill	17	17
Other non-financial assets	21	22
<b>Total Non-financial assets</b>	<b>283</b>	<b>307</b>
<b>Total Assets</b>	<b>11,269</b>	<b>9,383</b>

LIABILITIES & EQUITY (₹ Cr)	Sep 30, 2023	Mar 31, 2023
<b>Financial Liabilities</b>		
Debt Securities	4,000	3,369
Borrowings (Other than Debt Securities)	3,743	2,685
Subordinated Liabilities	20	20
Other Financial liabilities	86	155
<b>Total Financial Liabilities</b>	<b>7,849</b>	<b>6,230</b>
<b>Non-Financial Liabilities</b>		
Current Tax Liabilities (net)	4	4
Provisions	15	6
Other Non-Financial liabilities	41	43
<b>Total Non-Financial Liabilities</b>	<b>60</b>	<b>54</b>
<b>Equity</b>		
Equity Share Capital	71	71
Other Equity	3,288	3,028
<b>Equity attributable to shareholders of the company</b>	<b>3,359</b>	<b>3,099</b>
Non-Controlling Interest	0.3	0.2
<b>Total Equity</b>	<b>3,360</b>	<b>3,099</b>
<b>Total Liabilities and Equity</b>	<b>11,269</b>	<b>9,383</b>



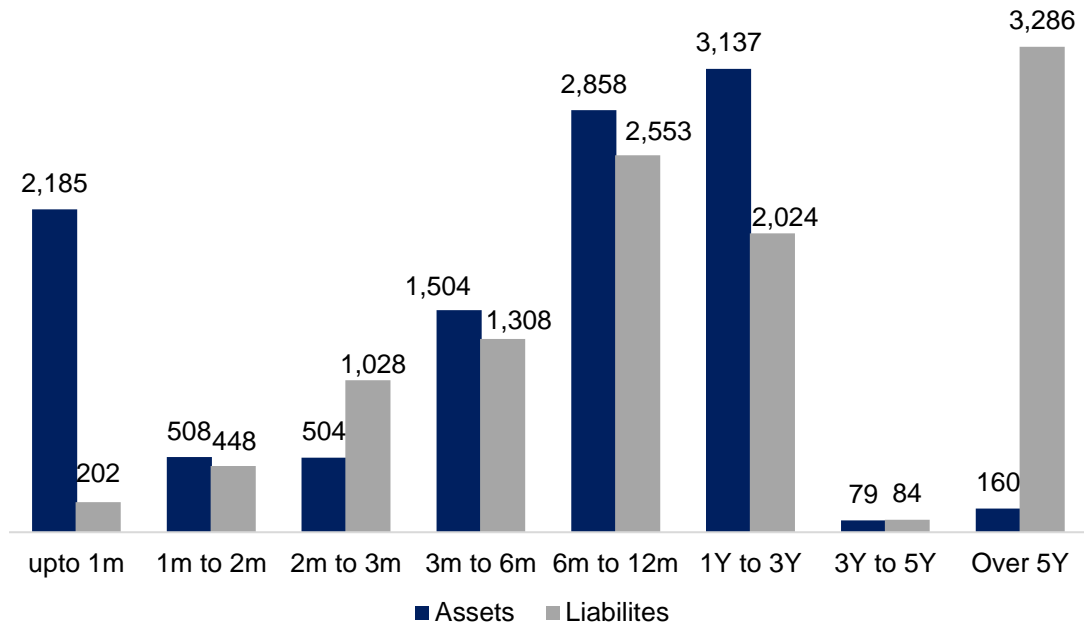


## ***Annexure***

# Positive ALM and Stable Ratings



Positive ALM (₹ Cr)\*



- Positive ALM on cumulative basis with assets maturing faster than liabilities
- Closing Cash and Bank balance (₹1,850 Cr as on 30 Sep'23)

Credit Rating – Spandana Spahoorty Financial Ltd

Rating Agency	Rating Instrument	Rating	Year
ICRA	Bank Facilities / NCD's / MLD's	A Stable	Aug 2023
India-Ra	Bank Facilities / NCD's/ MLD's CPs	A Stable A1	Aug 2022 Jan 2023
CRISIL	Bank Facilities	A Stable	Sep 2022

Credit Rating – Criss Financial Ltd

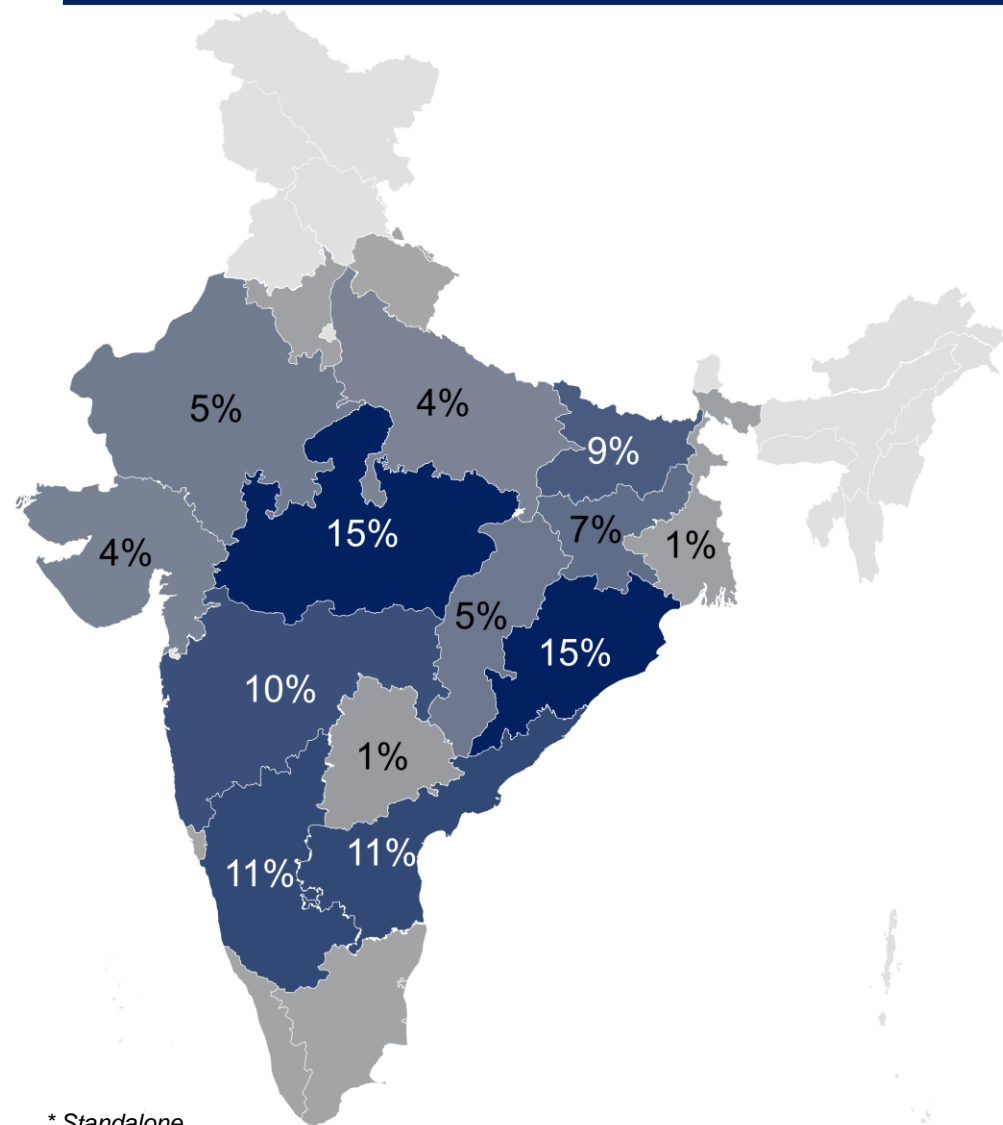
Rating Agency	Rating Instrument	Rating	Year
ICRA	Bank Facilities / MLD's	BBB+ Stable	Aug 2023
India-Ra	Bank Facilities	BBB+ Stable	Mar 2023

\* Standalone

# Well diversified presence



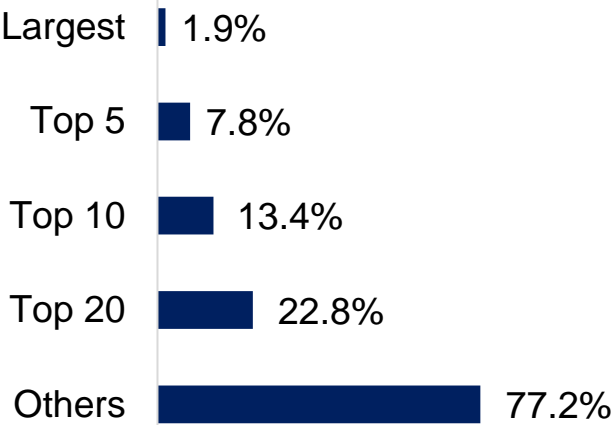
## AUM concentration\*



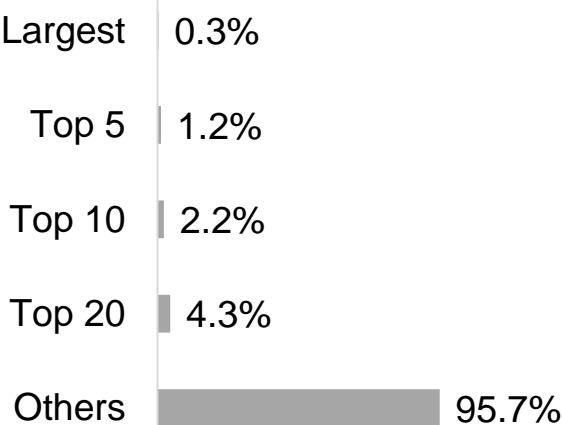
\* Standalone

State	% of AUM	
	Q2FY24	Q2FY23
Odisha	15%	16%
Madhya Pradesh	15%	17%
Karnataka	11%	11%
Andhra Pradesh	11%	11%
Maharashtra	10%	9%
Bihar	9%	7%
Jharkhand	7%	6%
Chhattisgarh	5%	6%
Rajasthan	5%	5%
Gujarat	4%	5%
Uttar Pradesh	4%	3%
Telangana	1%	1%
West Bengal	1%	0.6%
Haryana	1%	1%
Kerala	0.3%	1%
Tamil Nadu	0.3%	0.1%
Goa	0.2%	0.3%
Pondicherry	0.1%	0.1%
Uttarakhand	0.03%	-
Total	100%	100%

## District level concentration



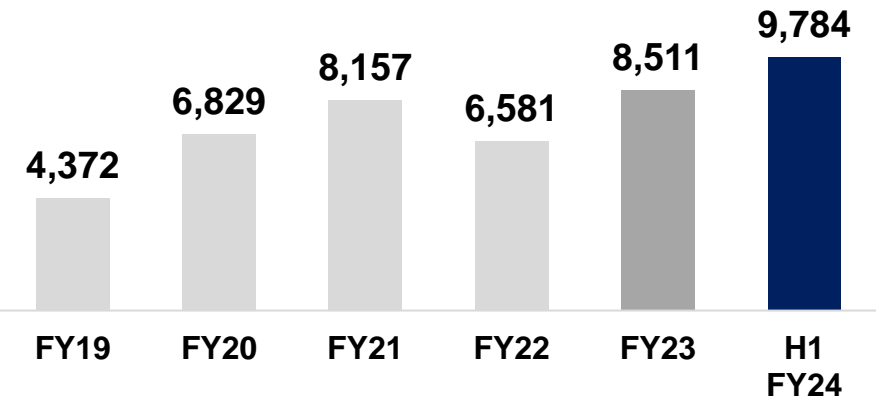
## Branch level concentration



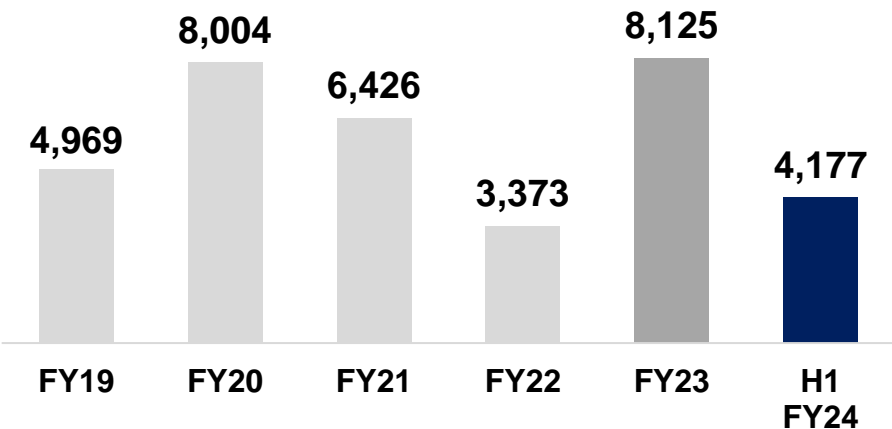
# Metrics over the years



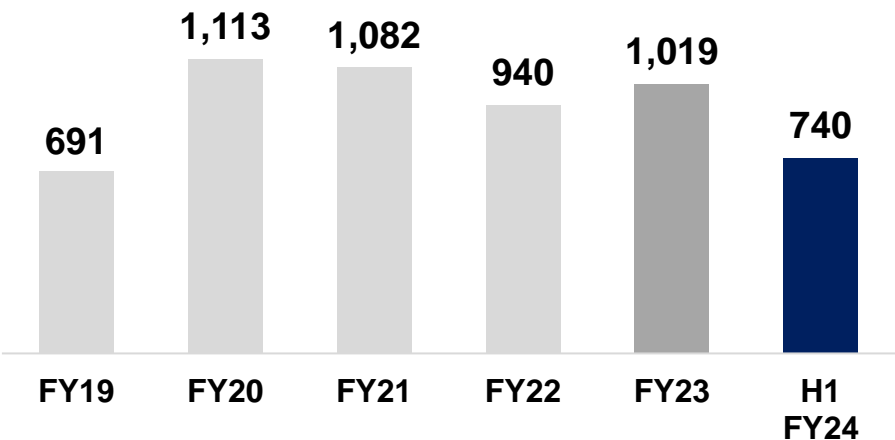
AUM (₹ Cr)



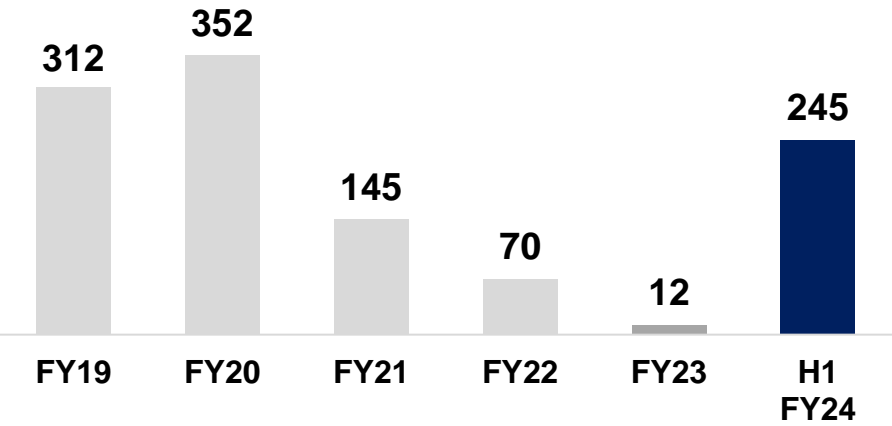
Disbursement (₹ Cr)



Net Income\* (₹ Cr)



PAT (₹ Cr)

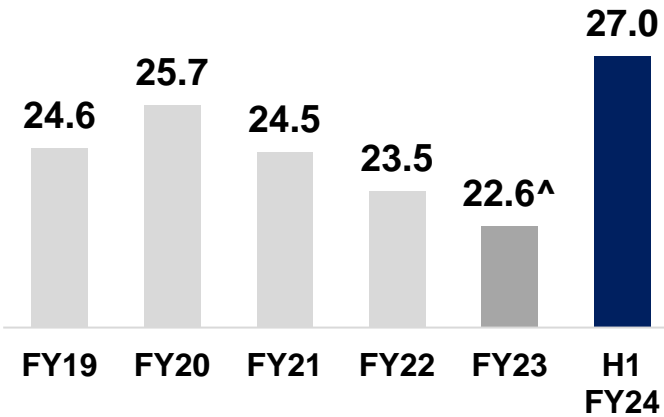


\*Net Income = Total income less finance cost

# Rapid branch expansion over past 9 months

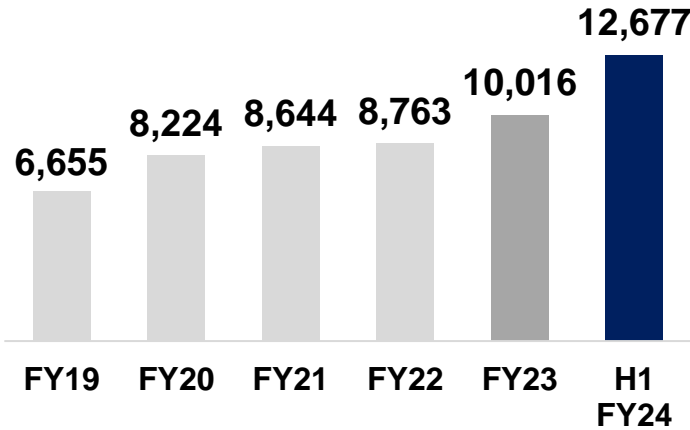


## Borrowers (in L)

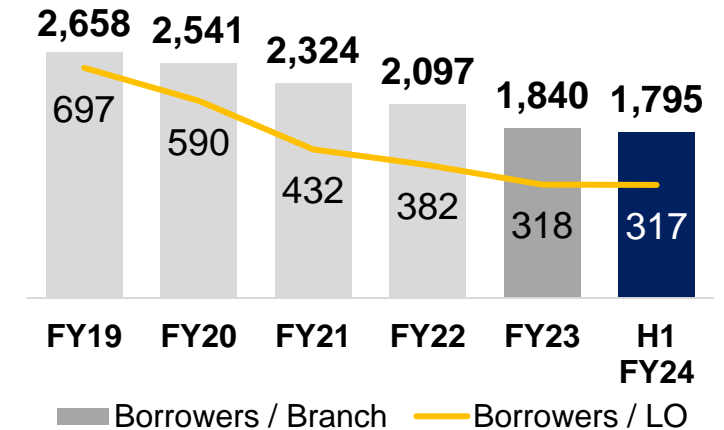


^Loans outstanding of ~6 L borrowers written-off

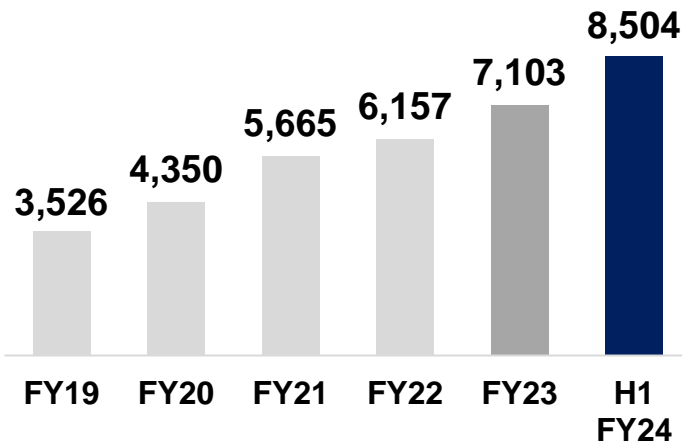
## Employees



## Borrowers / Branch & LO

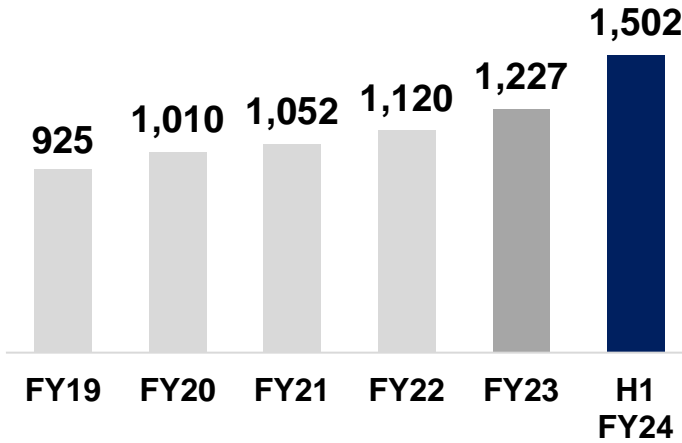


## Loan Officers\*

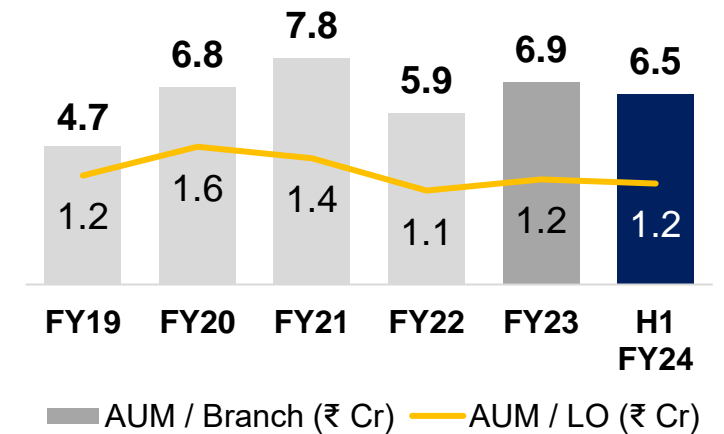


\*No. of Loan officers excluding trainees

## Branches



## AUM / Branch & LO (₹ Cr)







**SPANDANA**  
Spandana Sphoorty Financial Limited

***Thank you!***

**Investor Relations**

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