



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

Date: October 30, 2023

**To
BSE Limited,
Department of Corporate Services
P. J. Towers, 25th 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
Company Secretary and Chief Compliance Officer**

Encl: as above

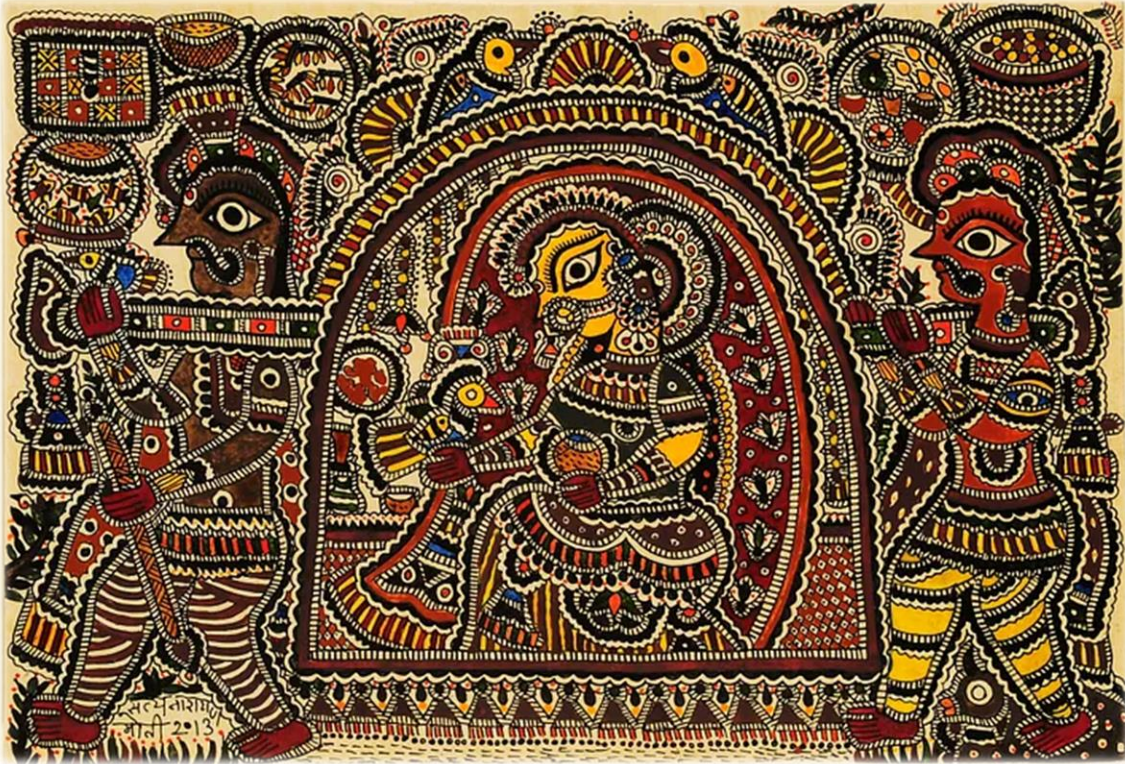
Spandana Sphoorty Financial Limited

CIN - L65929TG2003PLC040648

Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City,
TSIC, Raidurg Panmaktha, Hyderabad, Rangareddi TG 500081 IN

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Spandana Sphoorty Financial Limited

Q2 FY24 Investor Presentation

Safe Harbor



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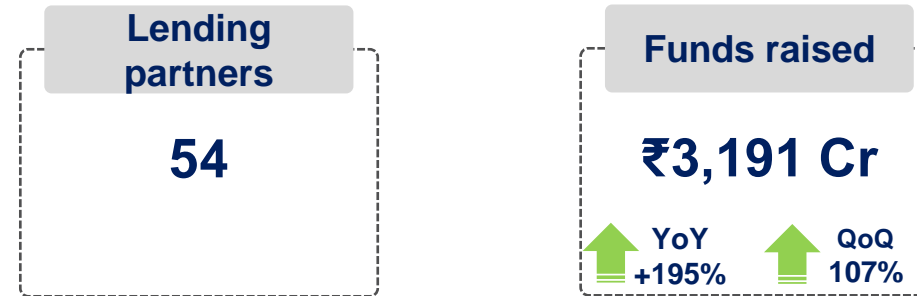
YOY - AUM up 69%, customer Acquisition up 183%, PAT up 127%, Income up 106%



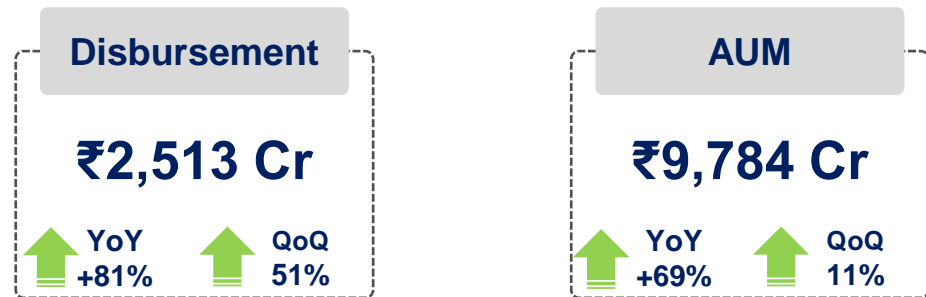
Delivering customer acquisition led growth



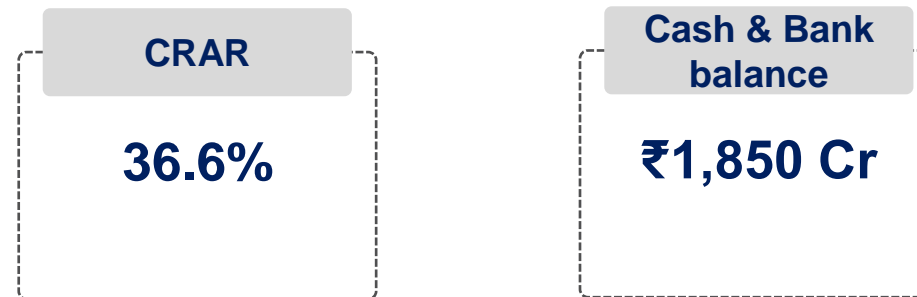
Deepening lender relationships



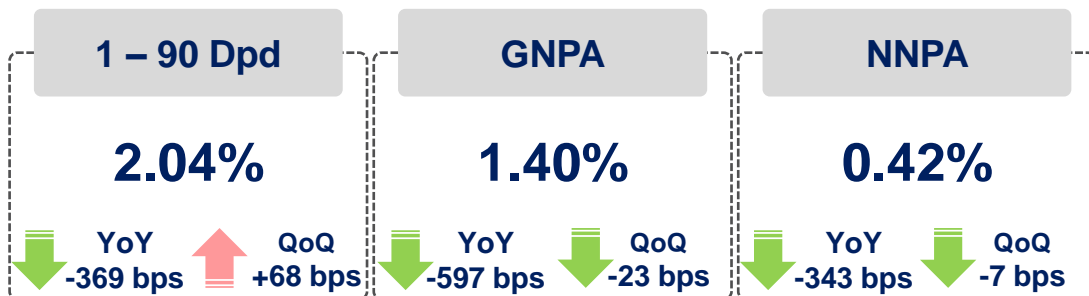
Strong growth in Disbursement & AUM



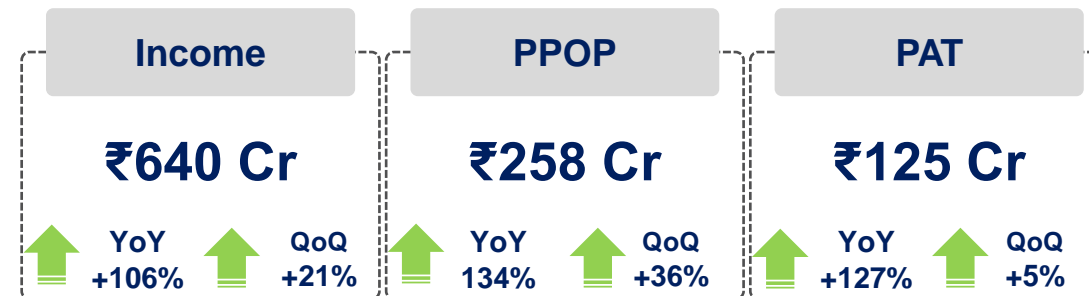
Comfortable cash & capital position



Stable portfolio quality



Robust financial performance

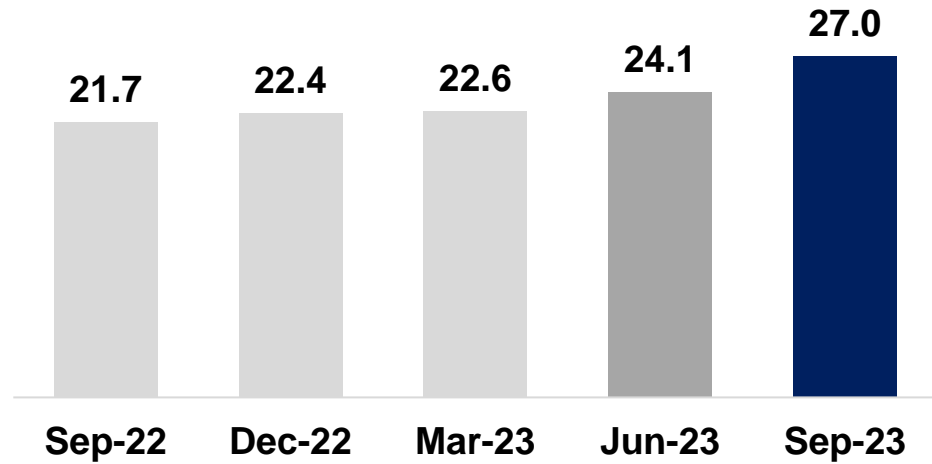




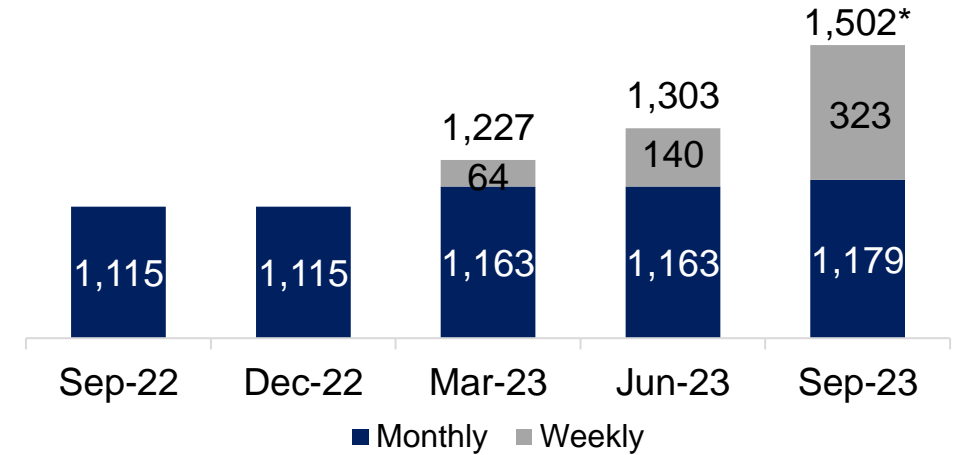
24% YoY growth in borrower base

Momentum on increasing distribution sustained – 199 new branches added

No. of borrowers (in L)

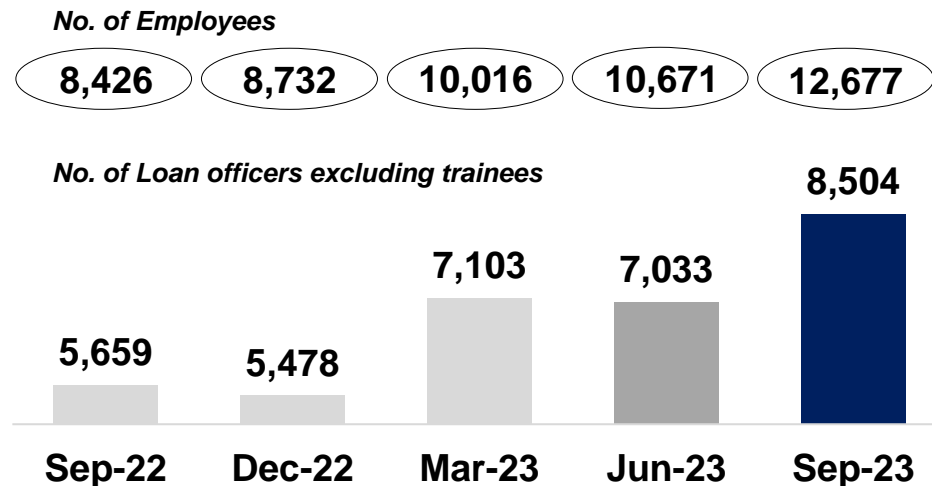


Branch count

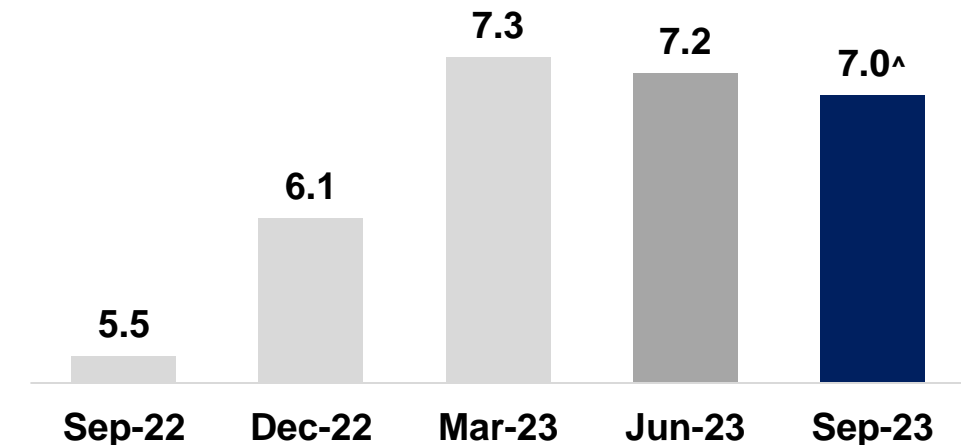


*95 branches yet to start operations

Number of employees



AUM per branch (₹ Cr)



^For operational branches; AUM / Branch with tenure >1 year is ₹8.6 Cr

Focus on new customer acquisition sustained

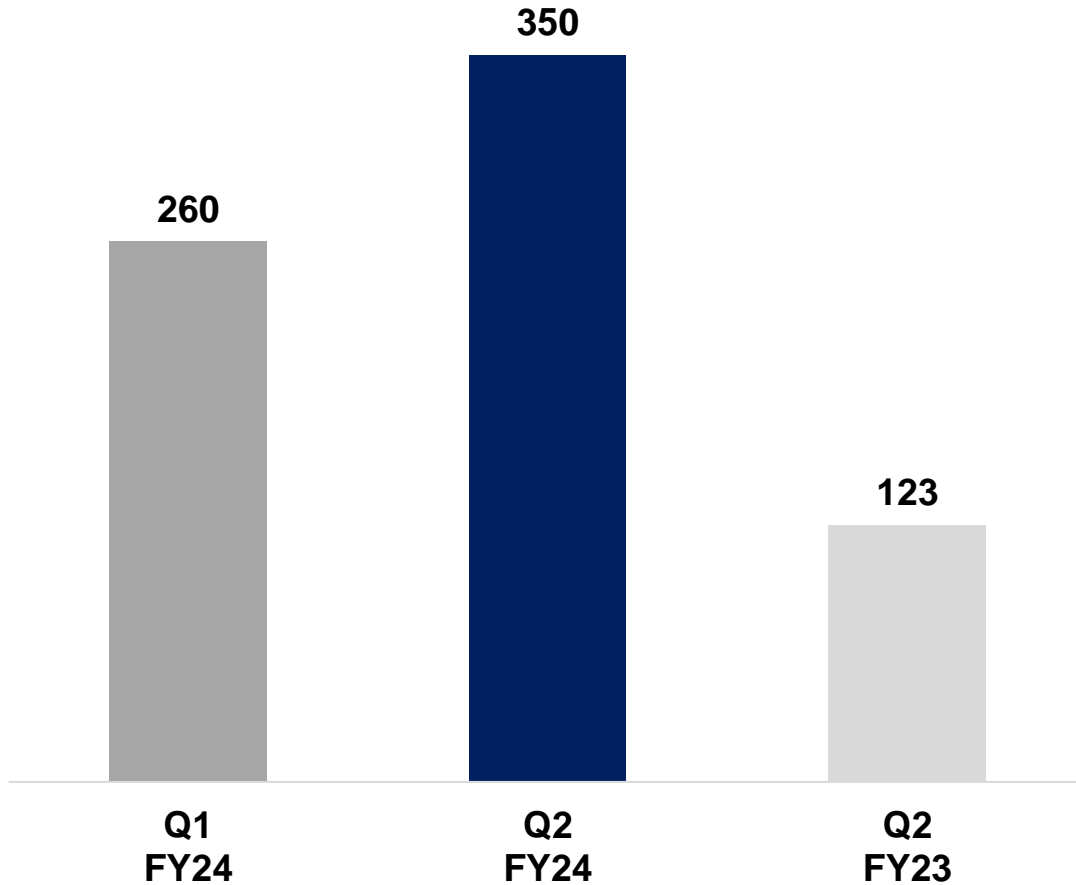
183% YoY growth in borrower addition; ~31% new borrowers from 7 focus states



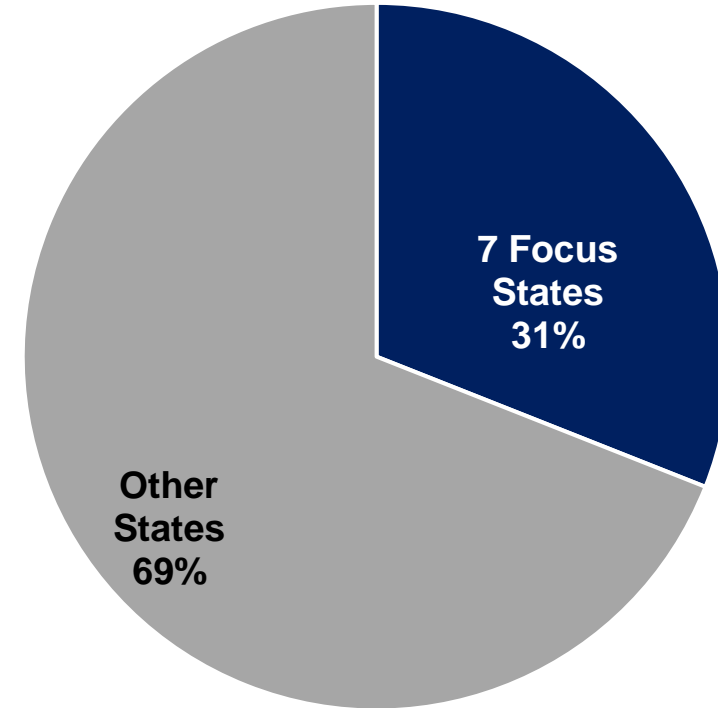
New customers acquired (in '000)

↑ QoQ
34%

↑ YoY
+183%



31% customer acquisition from 7 focus states



1. Bihar
2. Rajasthan
3. Uttar Pradesh
4. West Bengal
5. Haryana
6. Tamil Nadu
7. Gujarat

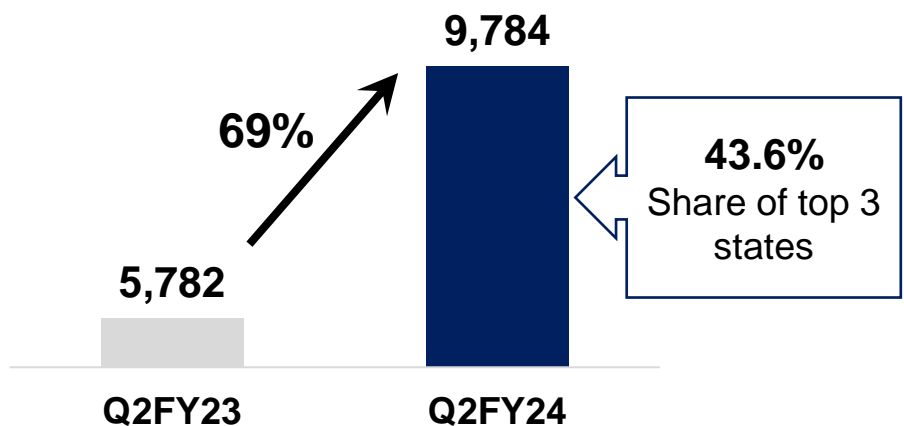
22% AUM from 7 focus states

AUM growth momentum continues

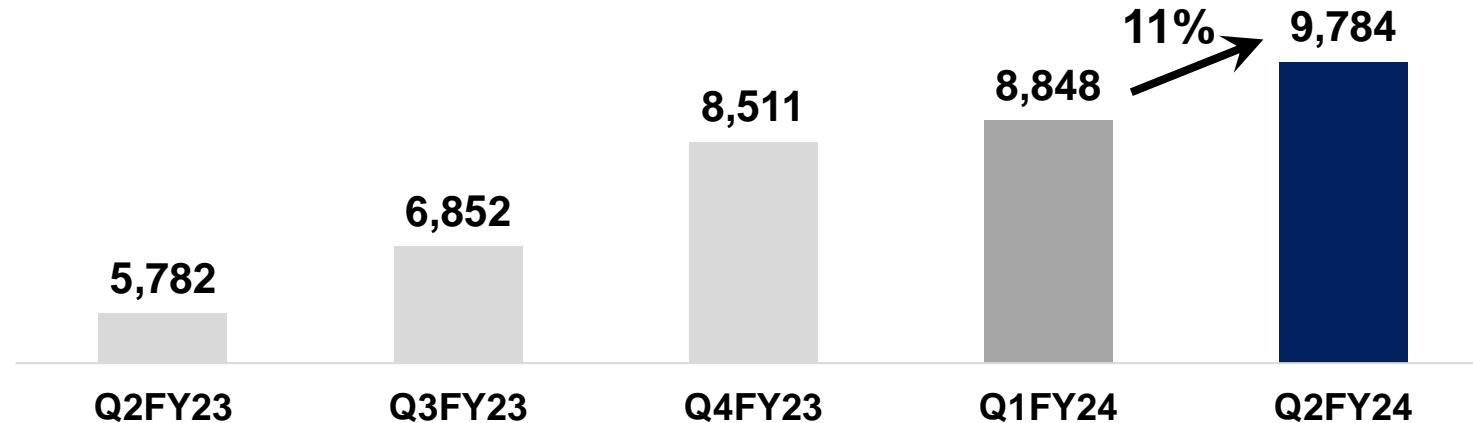
~69% YoY growth in AUM; 81% YoY growth in Disbursement



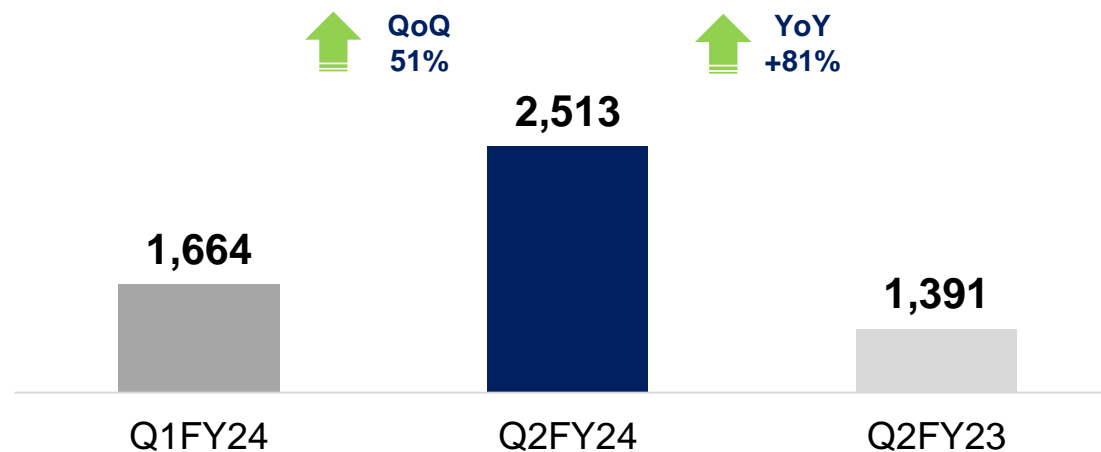
AUM (₹ Cr) - YoY Growth of 69%



AUM (₹ Cr) – QoQ Growth of 11%



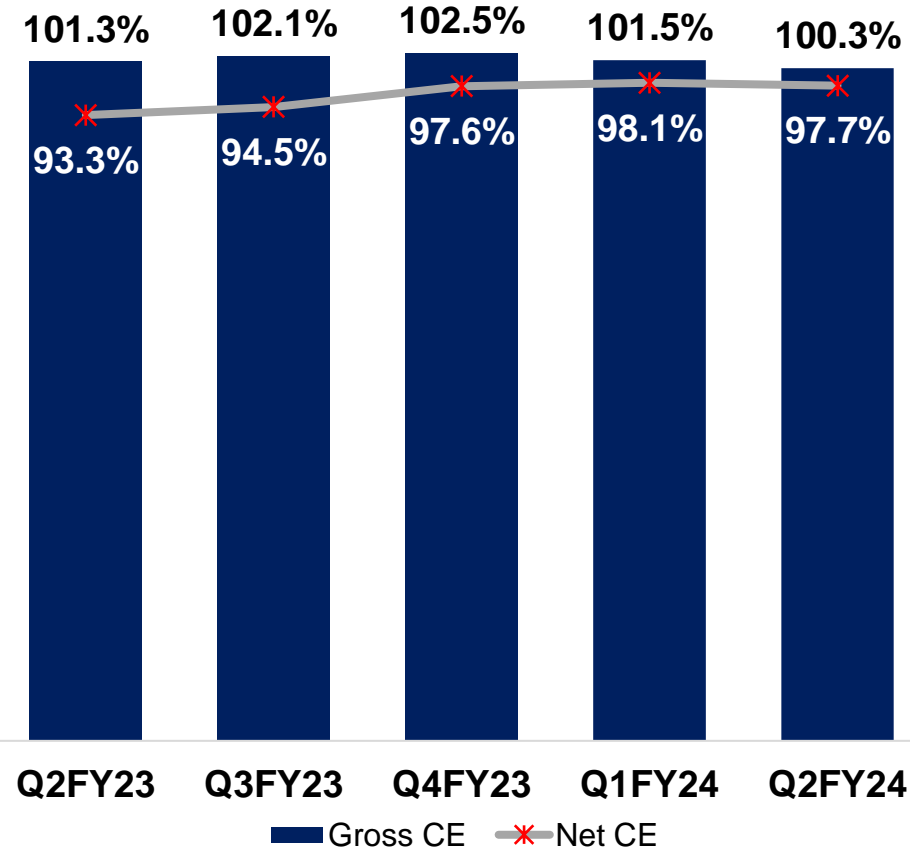
Disbursement (₹ Cr)



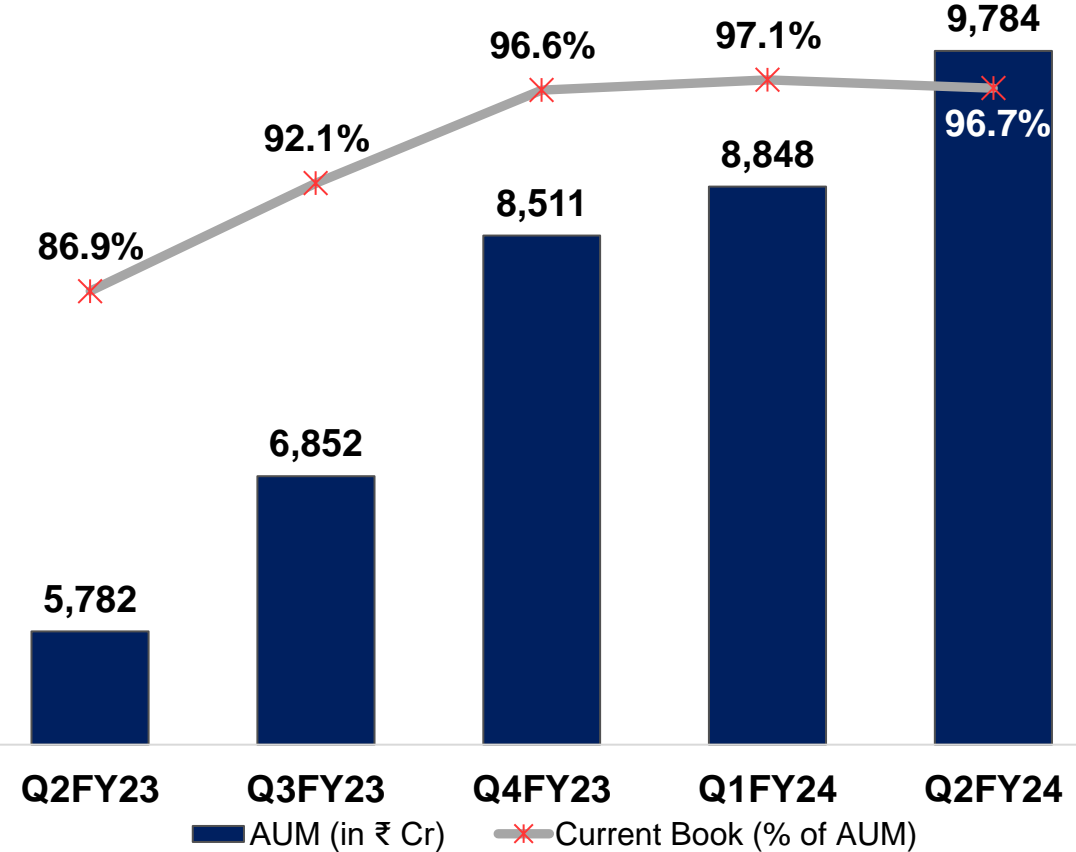
Net Collection Efficiency at 97.7%, Current book at 96.7%



Collection Efficiency (%)



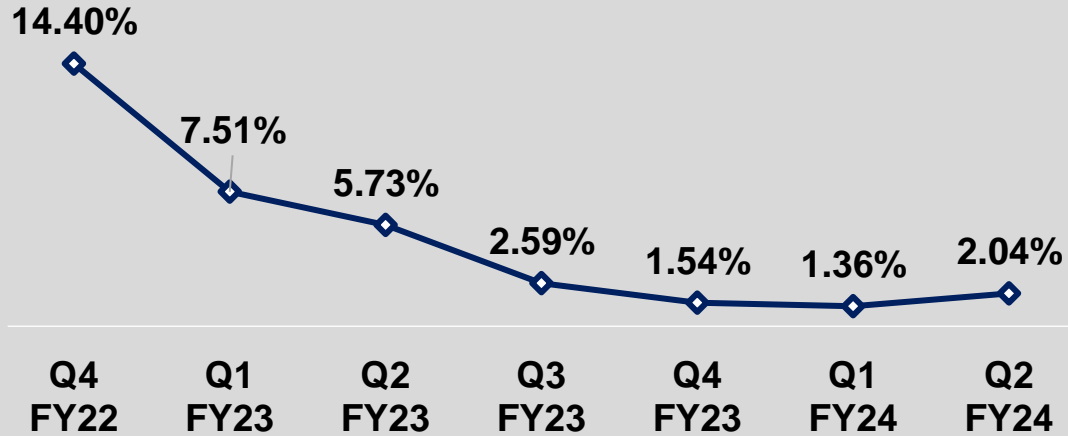
AUM (₹ Cr) & Current book (%)



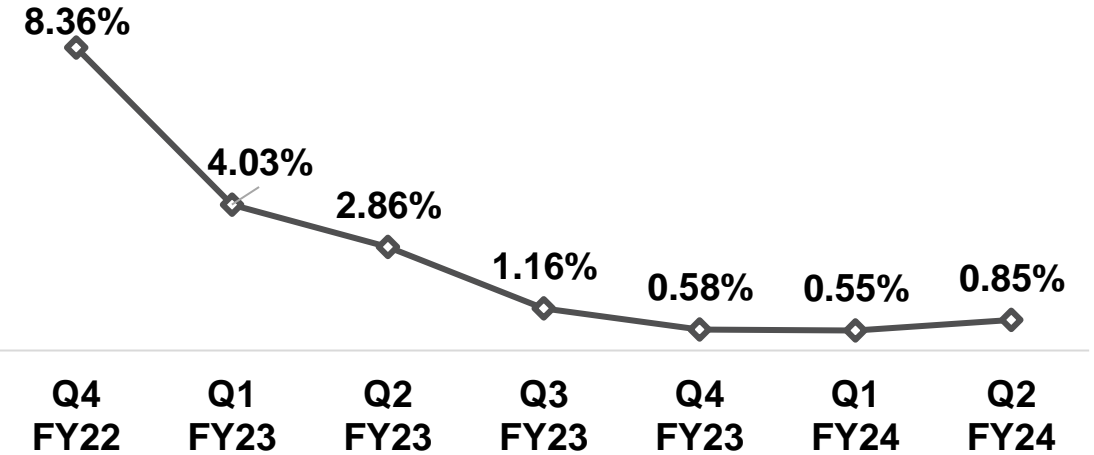
Portfolio quality: 1-90 book at 2.04%



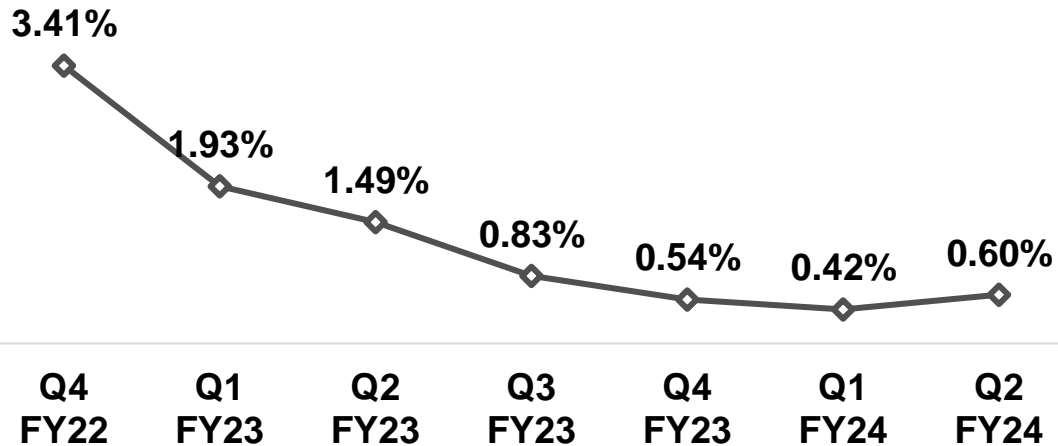
1 – 90 dpd



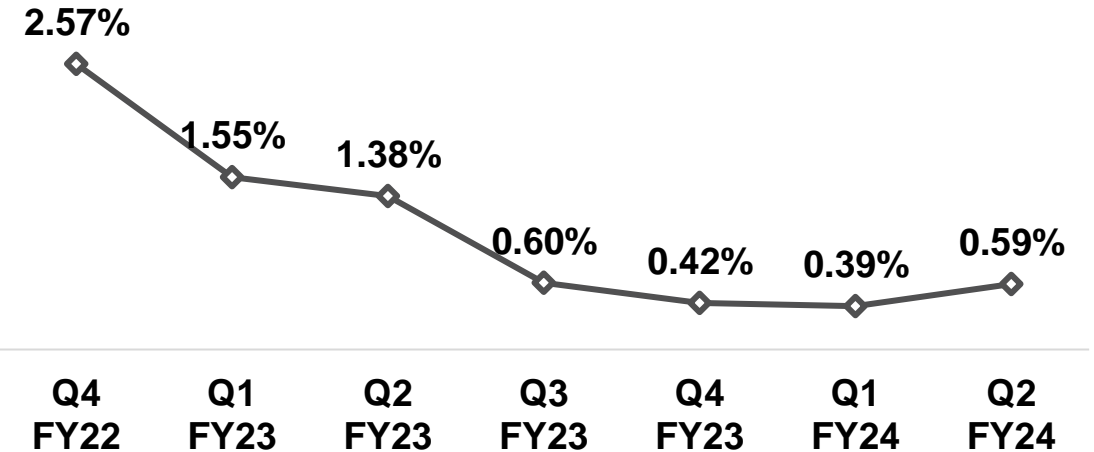
1 – 30 dpd



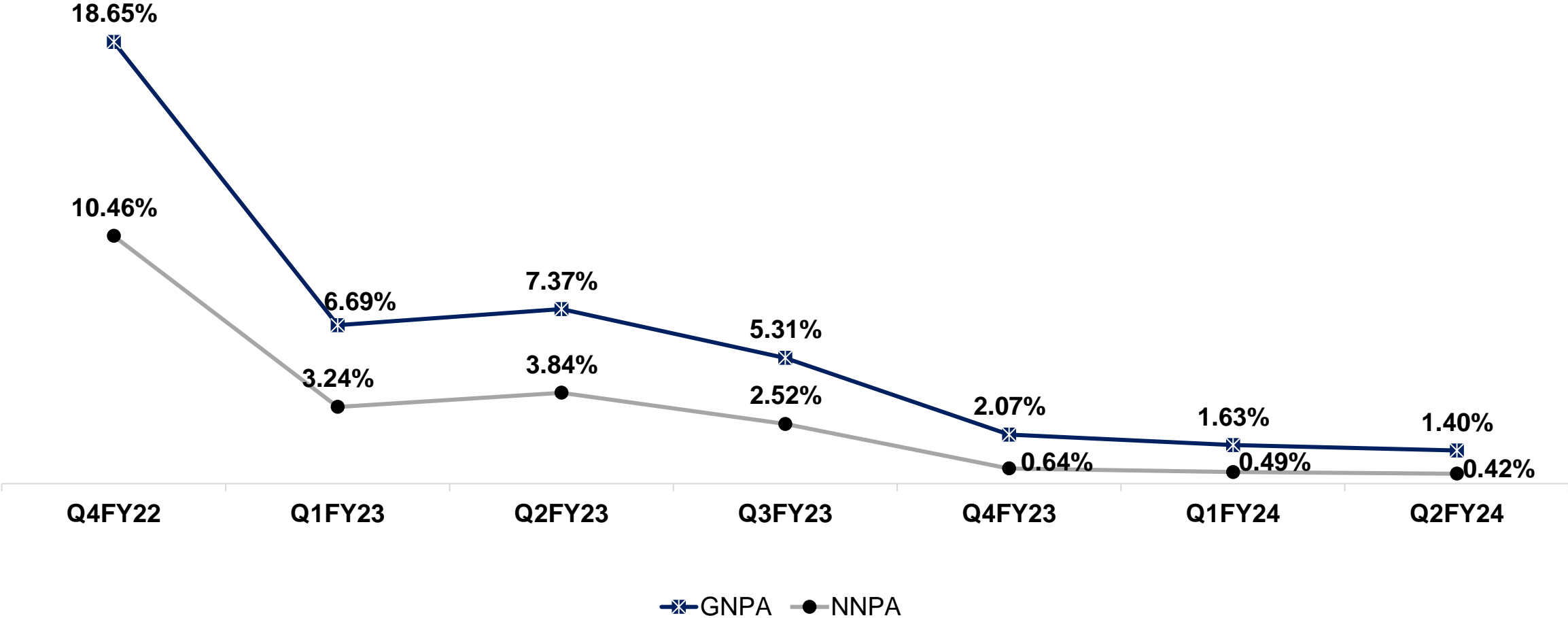
31 – 60 dpd



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
Stage 1	8,817	97.41%	85	0.96%	8,191	97.56%	85	1.04%
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%
Stage 2	107	1.19%	43	39.68%	68	0.81%	26	38.59%
Stage 3	127	1.40%	89	70.26%	137	1.63%	96	70.10%
Total	9,052	100%	216	2.39%	8,395	100%	207	2.47%

	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	
Sub-total	31.64	1.4%
Others*	58.41	2.6%
Total	90.05	4.1%

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

Liability relationships being strengthened

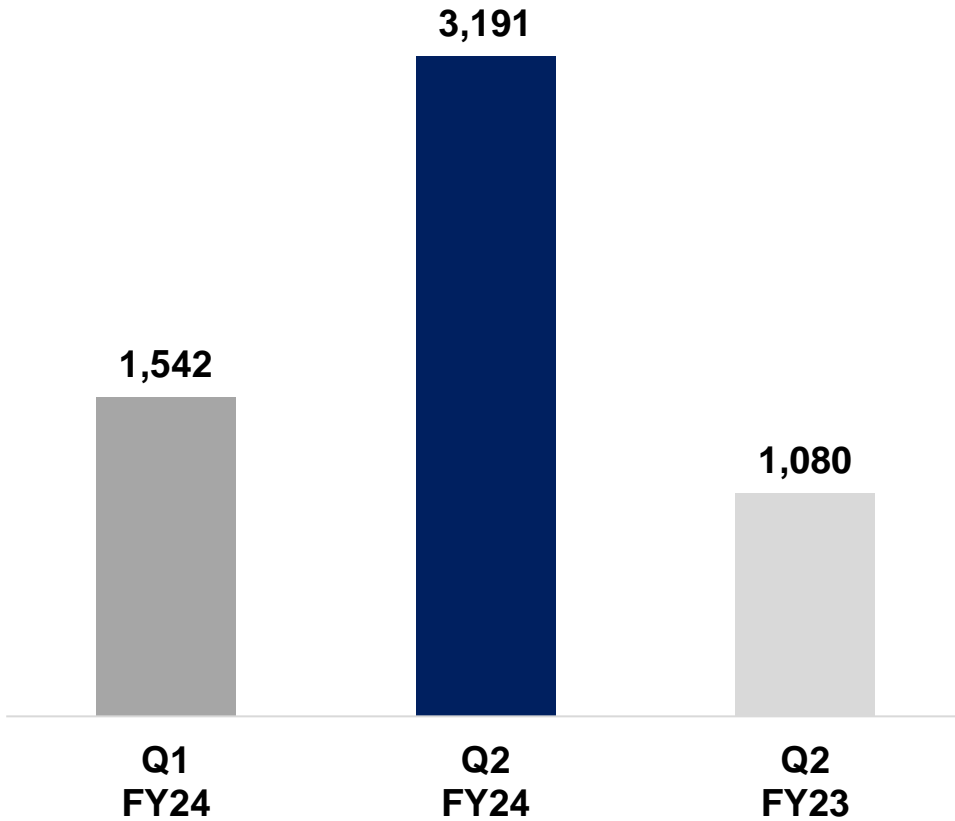
~195% YoY growth in fund mobilization



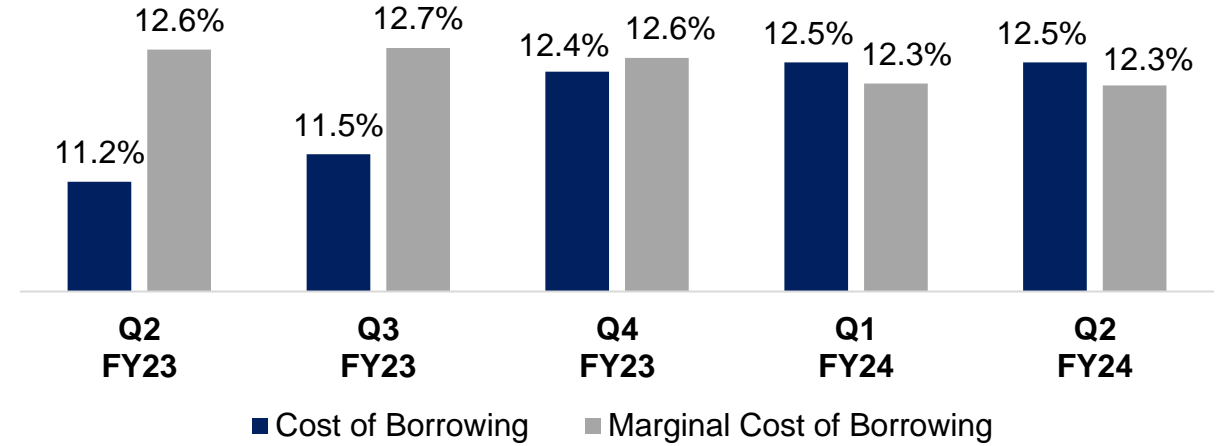
Incremental borrowing (in ₹ Cr)

↑ QoQ
107%

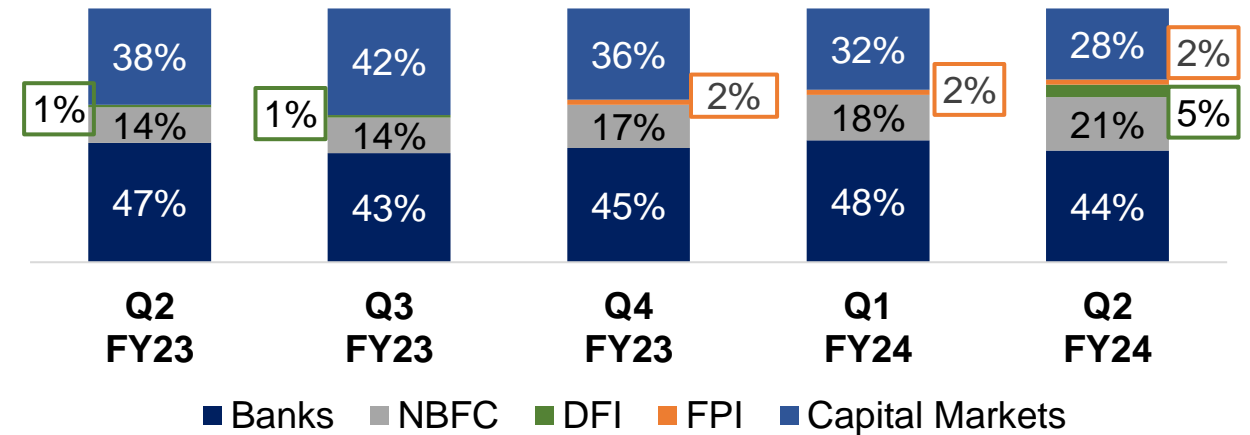
↑ YoY
+195%



Cost of borrowing



Diversified borrowing mix

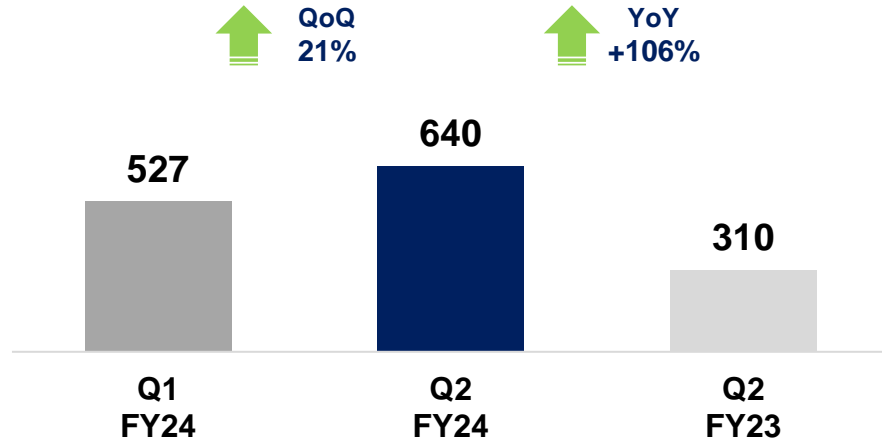


Income and profitability continue to trend higher

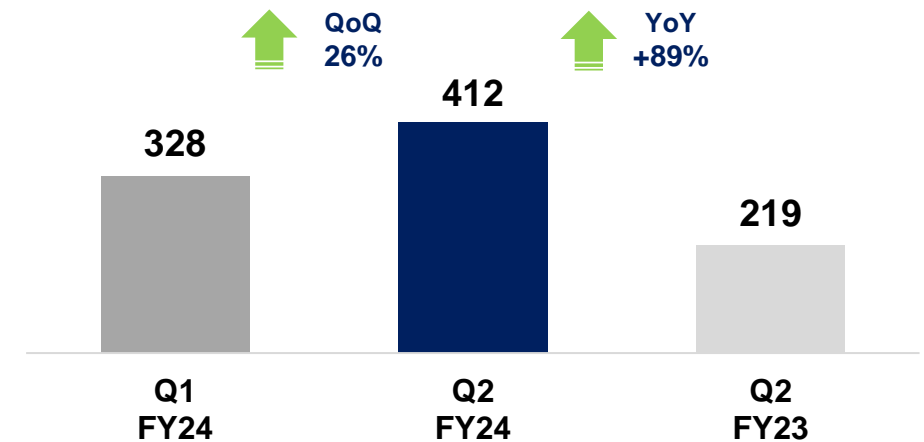
YoY – Net Income up 89%, PAT up 127%



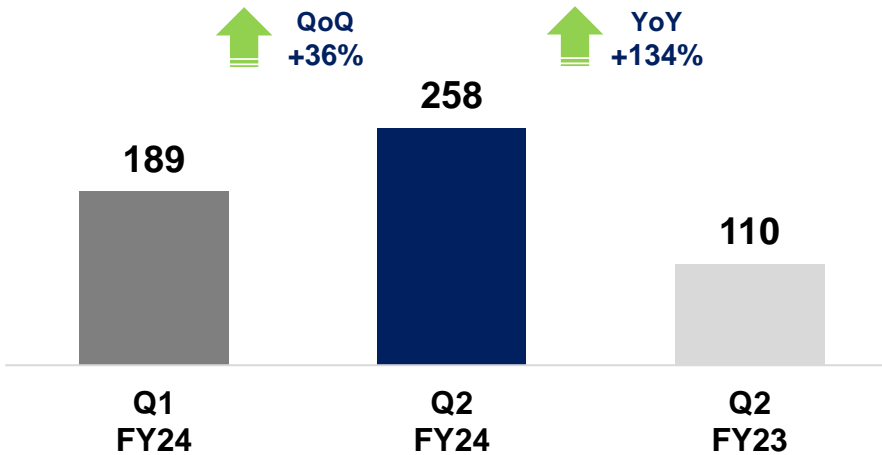
Total Income* (₹ Cr)



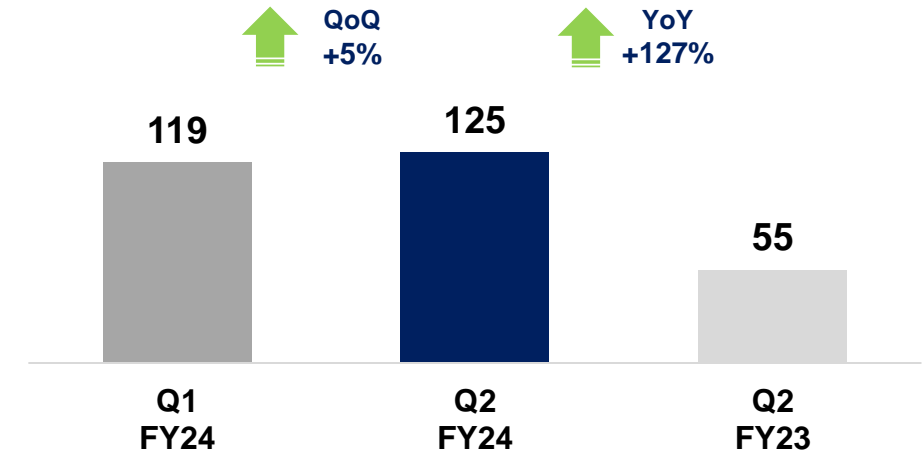
Net Income*^ (₹ Cr)



PPOP* (₹ Cr)



PAT (₹ Cr)

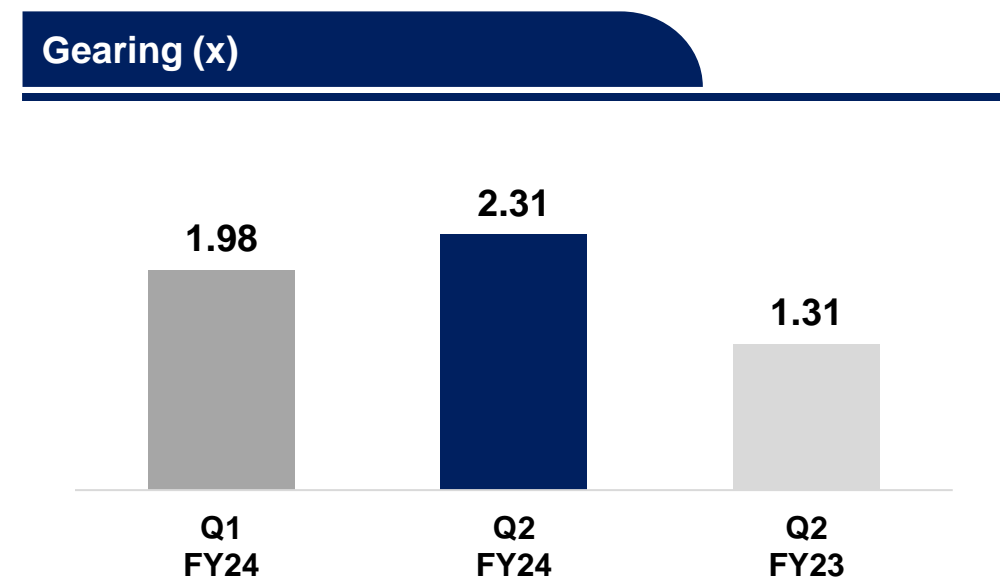
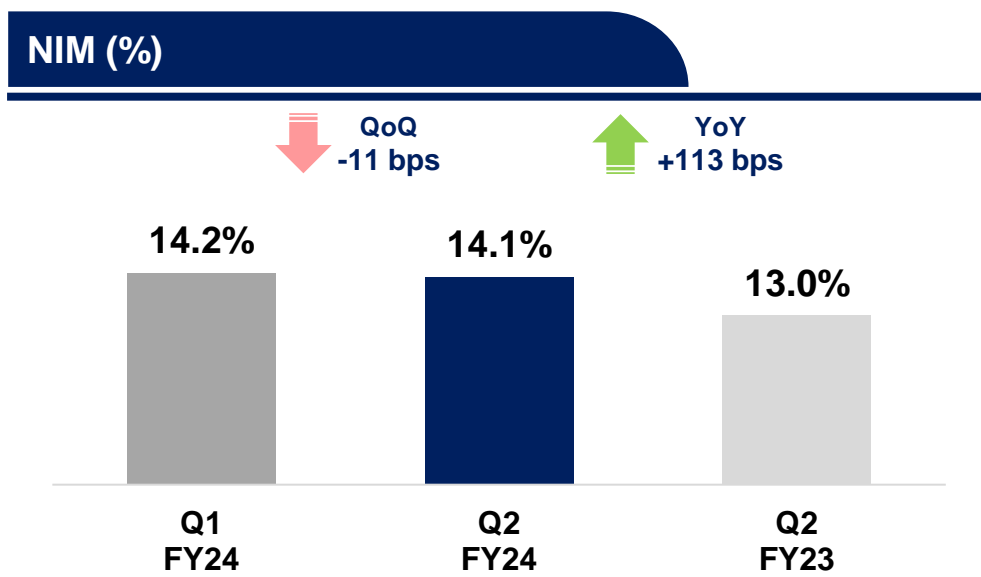
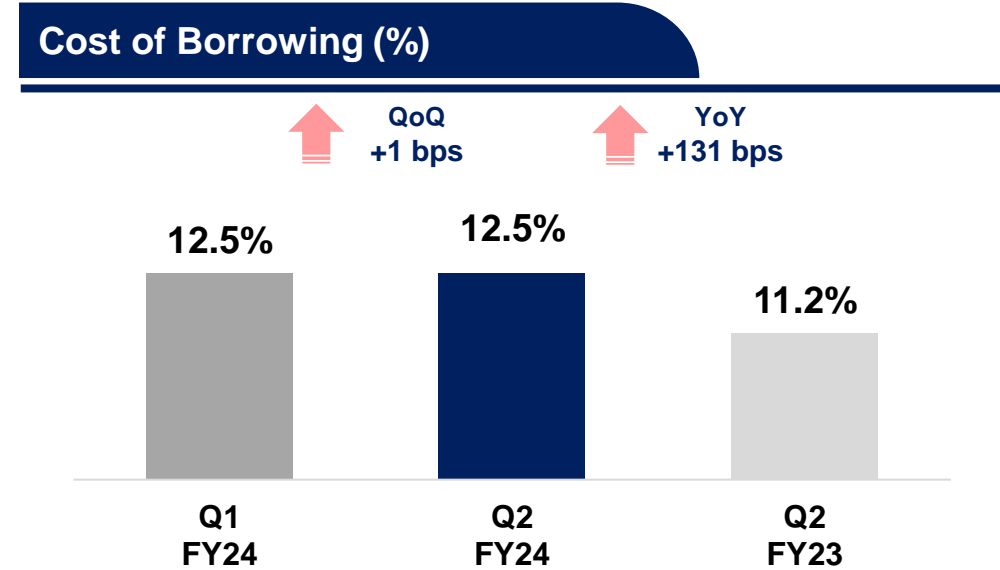
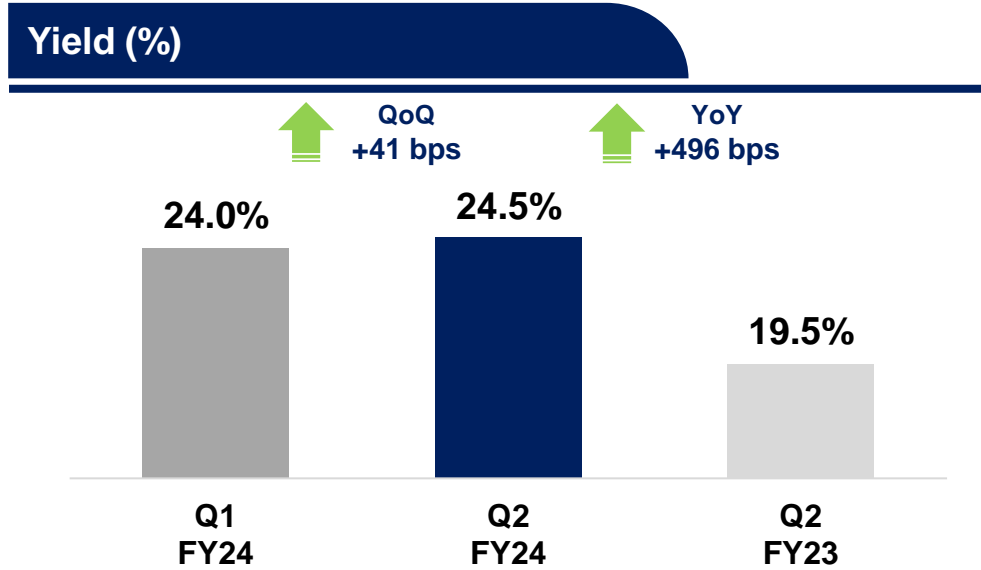


*Includes Net gain on fair value change of ₹42 Cr toward DA transaction undertaken in Q2FY24 & ₹3 Cr in Q1FY24

^Net Income = Total income less finance cost

Yields improve further while NIM remains stable

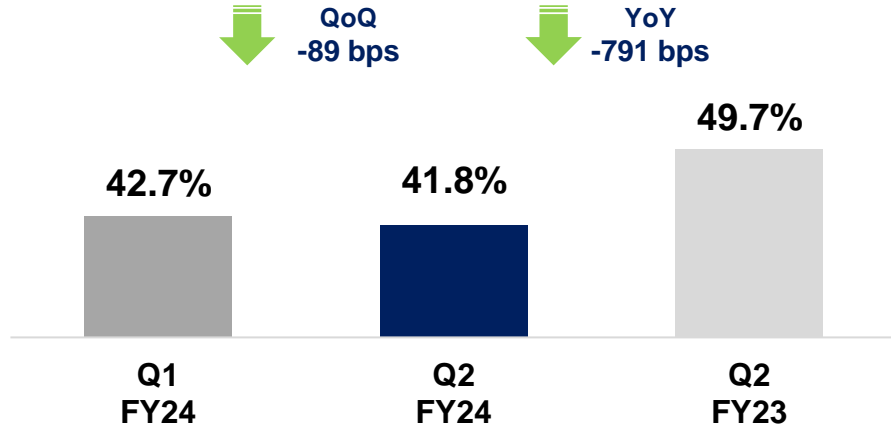
NIM stable at 14.1% and yield improves to 24.5%



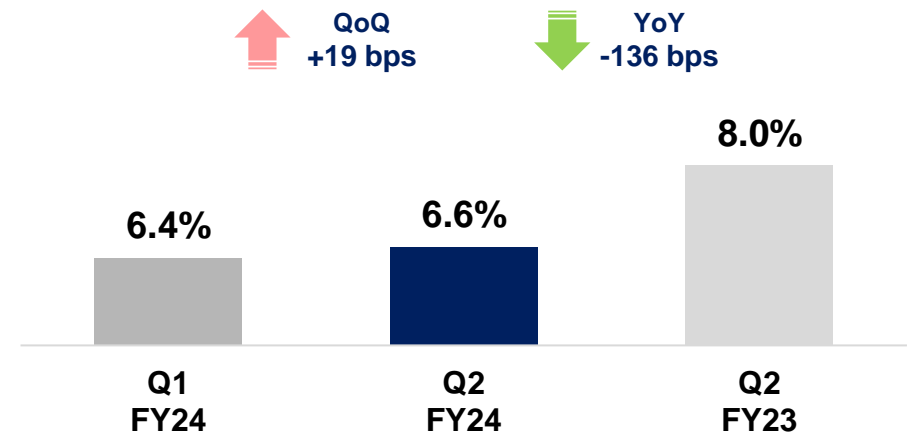
ROA at 5.7%, Cost to Income at 41.8%, ROE at 15.1%



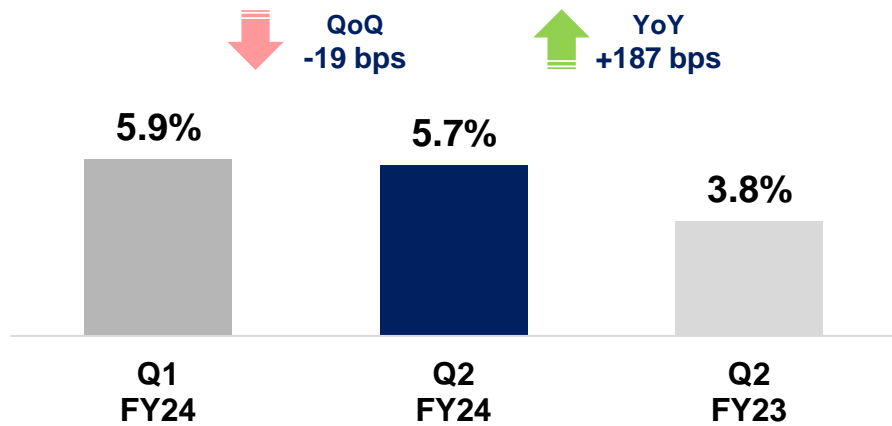
Cost to income* (%)



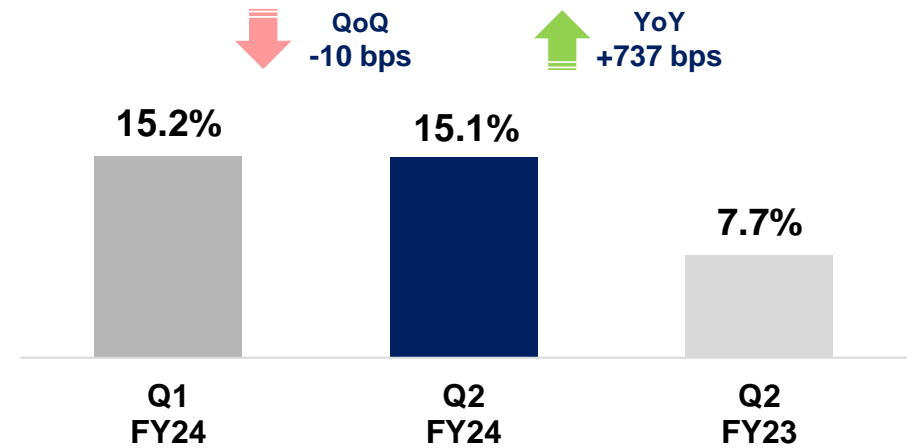
Opex to AUM (%)



ROA (%)



ROE (%)

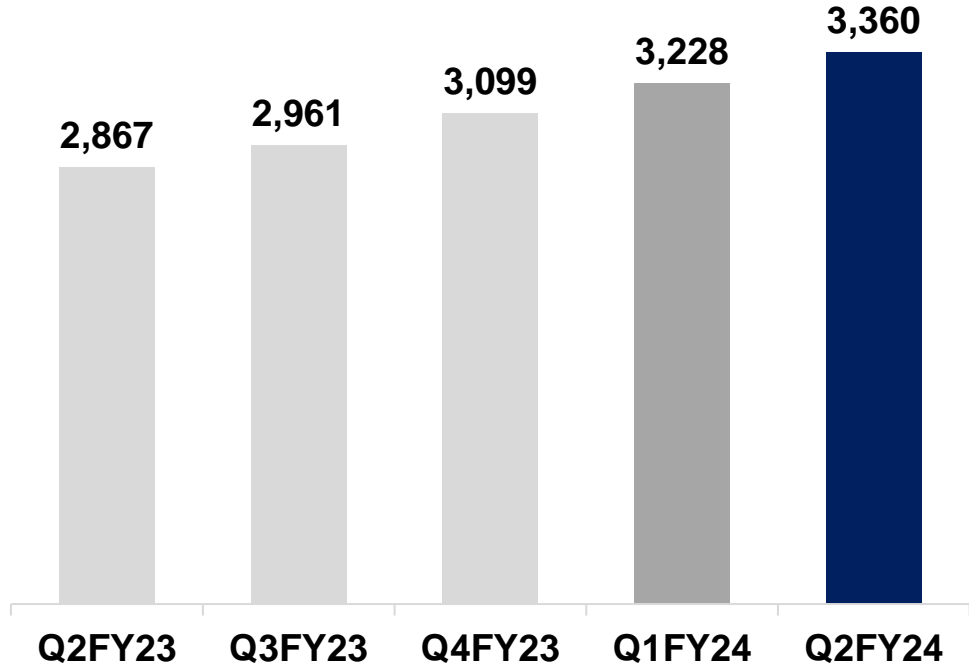


*Normalized for Net gain on fair value change of ₹42 Cr toward DA transaction undertaken in Q2FY24 & ₹3 Cr in Q1FY24

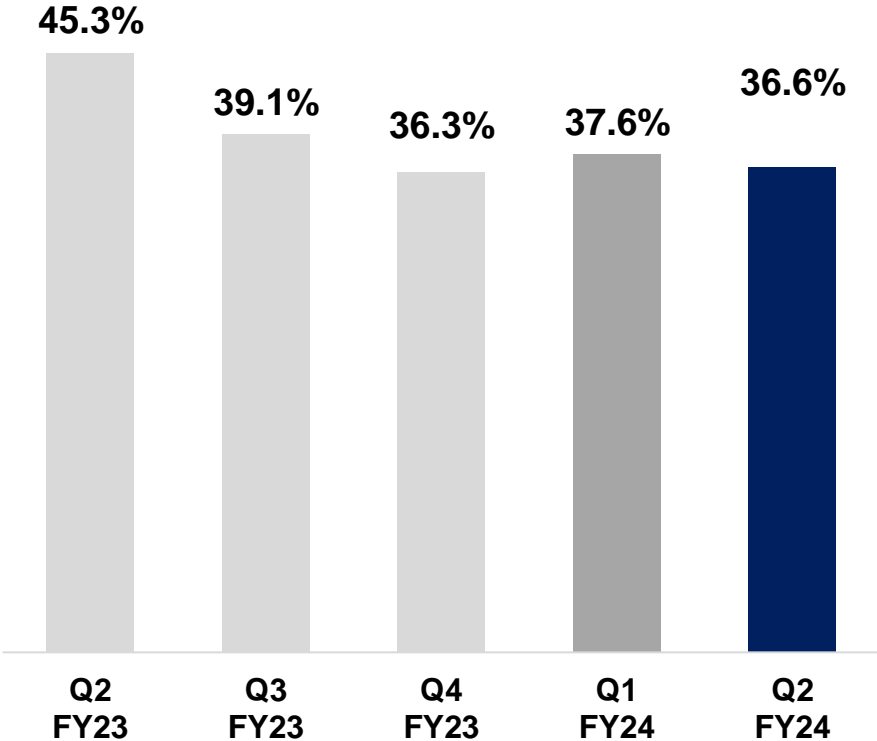
Net-worth increases to ₹3,360 Cr; CRAR at 36.6%



Net-worth (₹ Cr)



CRAR (%)



Consolidated Income Statement



Particulars (₹ Cr)	Q2 FY24	Q1 FY24	Q2 FY23	QoQ	YoY	H1FY24	H1FY23	YoY
Revenue from Operations								
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%
Total income from operations	610	512	298	19%	105%	1,122	548	105%
Non-operational Income	30	16	12	91%	140%	46	21	117%
Total income	640	527	310	21%	106%	1,168	569	105%
Finance cost	228	200	91	14%	149%	427	188	127%
Net Income	412	328	219	26%	89%	740	381	94%
Expenses								
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%
Total Expenses	155	139	109	12%	42%	294	220	33%
Pre-Provision Operating Profit (PPOP)	258	189	110	36%	134%	447	161	178%
Impairment on financial instruments and other provisions	90	29	26	215%	250%	119	377	(69)%
Profit before Tax	168	161	84	4%	99%	328	(217)	
Tax expense	42	41	29	3%	45%	83	(52)	
Profit after tax	125	119	55	5%	127%	245	(165)	

Consolidated Balance Sheet



ASSETS (₹ Cr)	Sep 30, 2023	Mar 31, 2023
Financial Assets		
Cash and bank balances	1,850	1,005
Loan Portfolio	8,862	7,760
Investments	129	189
Other financial assets	145	122
Total Financial Assets	10,986	9,076
Non-Financial Assets		
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
Total Non-financial assets	283	307
Total Assets	11,269	9,383

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

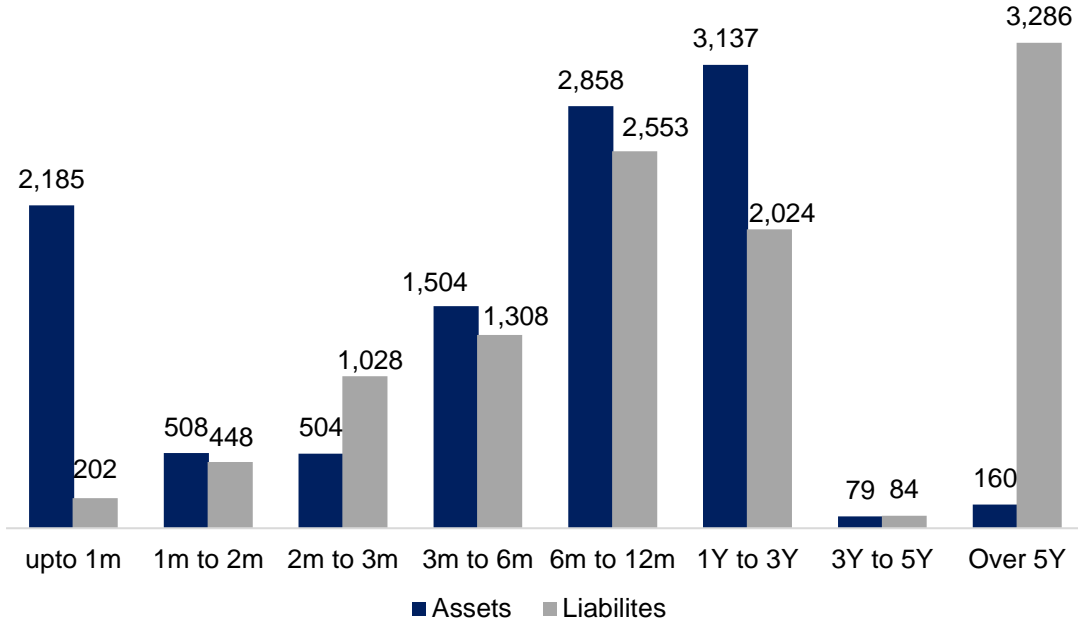


Annexure



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 Sphoorty 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

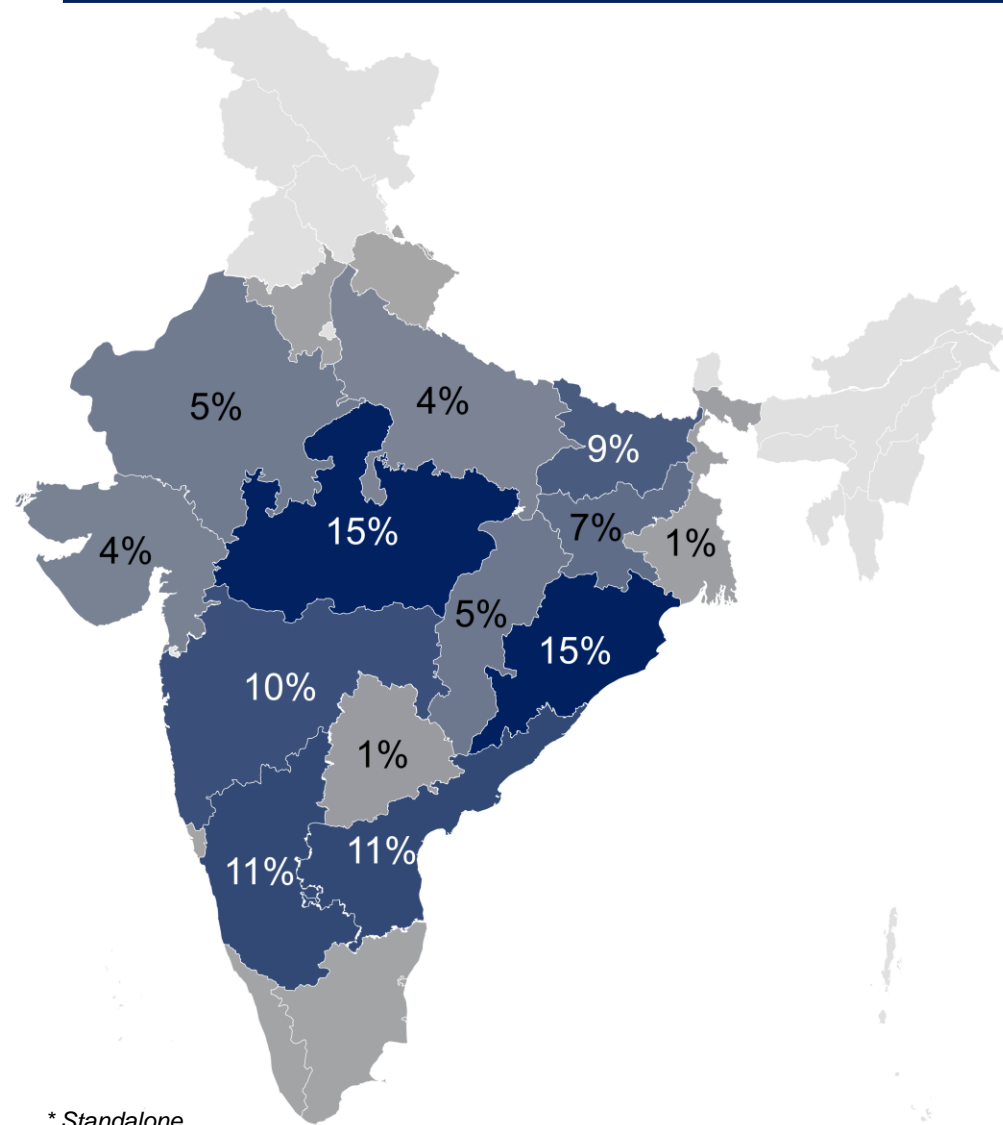
Credit Rating – Criss Financial Ltd

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

Well diversified presence



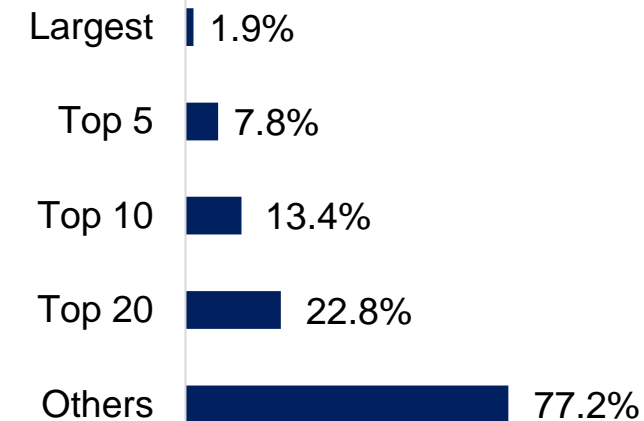
AUM concentration*



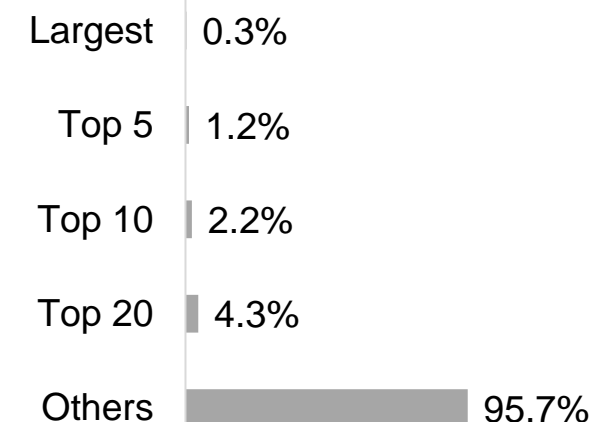
* Standalone

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



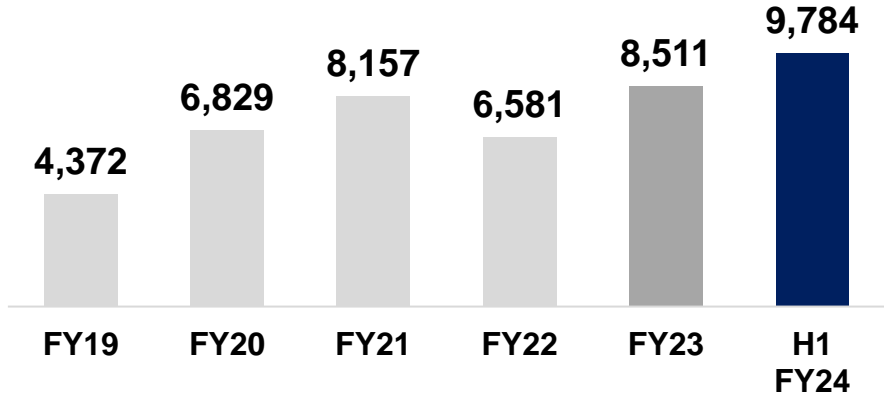
Branch level concentration



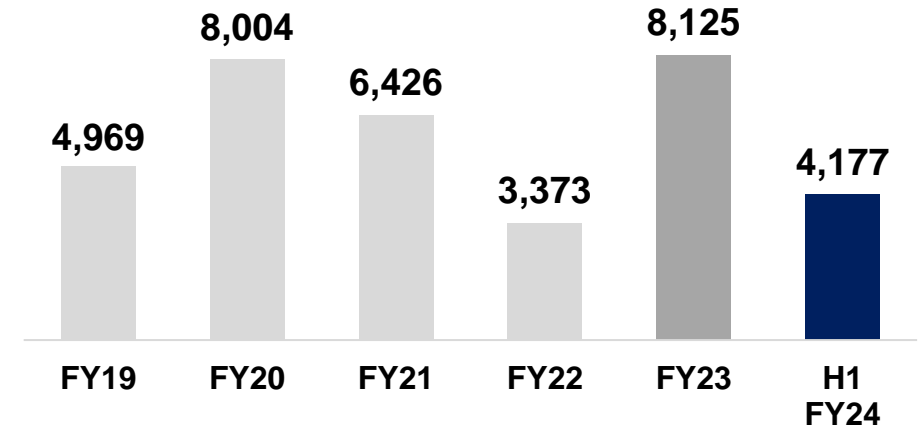
Metrics over the years



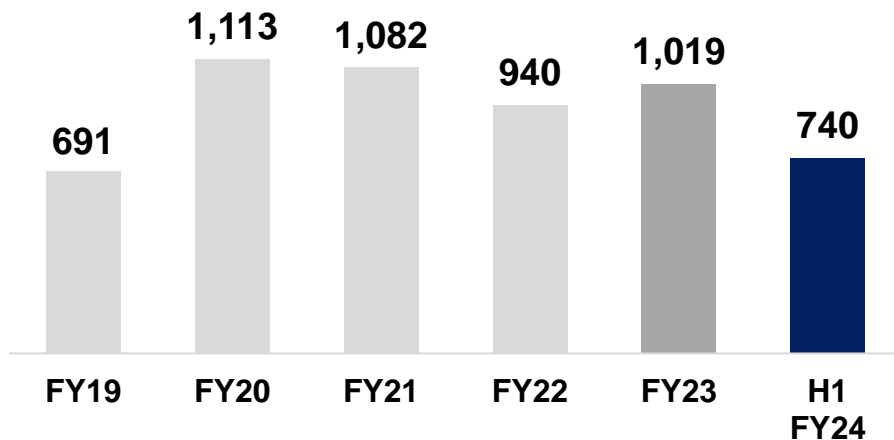
AUM (₹ Cr)



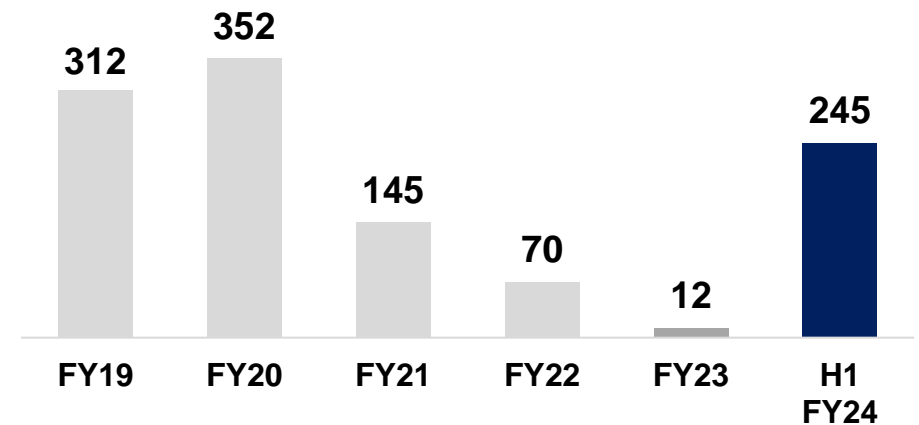
Disbursement (₹ Cr)



Net Income* (₹ Cr)



PAT (₹ Cr)

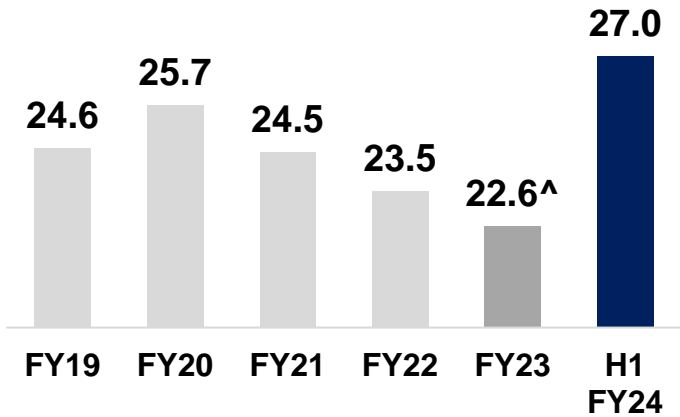


*Net Income = Total income less finance cost

Rapid branch expansion over past 9 months

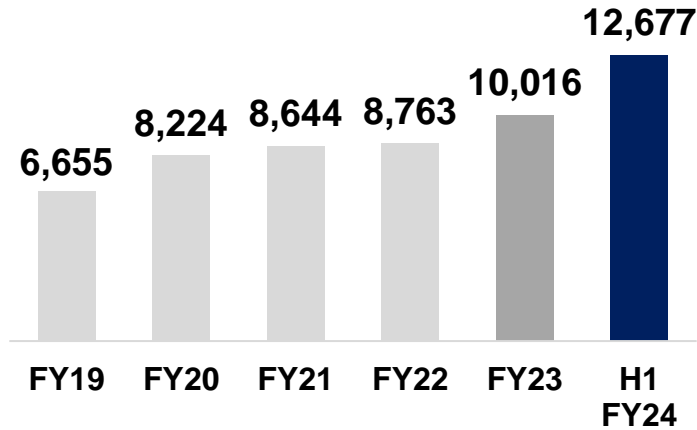


Borrowers (in L)

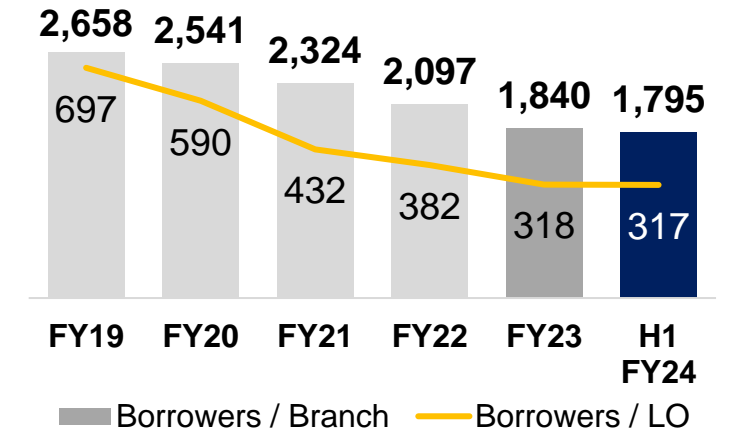


[^]Loans outstanding of ~6 L borrowers written-off

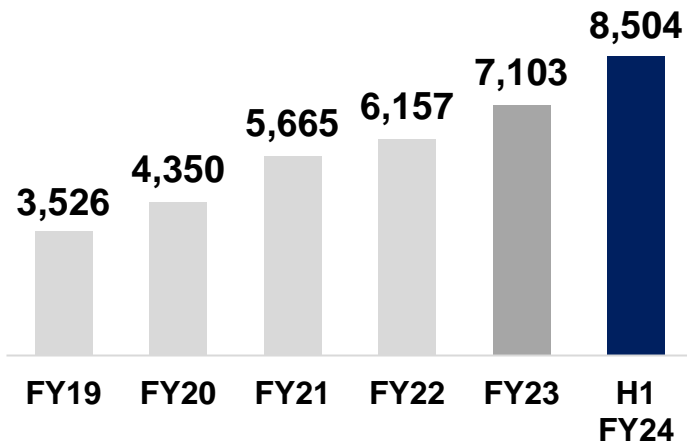
Employees



Borrowers / Branch & LO

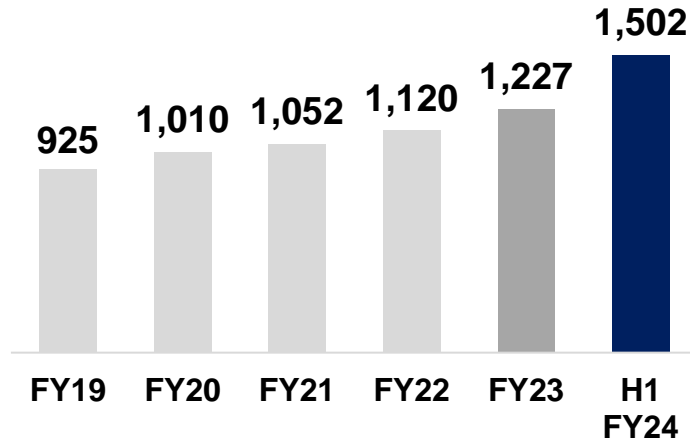


Loan Officers*

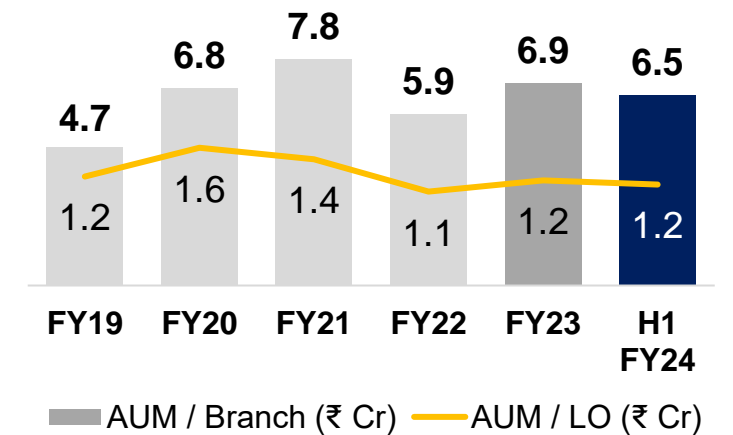


*No. of Loan officers excluding trainees

Branches



AUM / Branch & LO (₹ Cr)





SPANDANA
Spandana Sphoorty Financial Limited

Thank you!

Investor Relations

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