



Ref: SSFL/Stock Exchange/2024-25/054

July 27, 2024

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

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, 2024.**

**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, 2024.

Kindly take the same on record.

Thanking you.

Yours sincerely,

**For Spandana Sphoorty Financial Limited**

**Vinay Prakash**  
Digitally signed by Vinay  
Prakash Tripathi  
Date: 2024.07.27 11:42:22  
+05'30'  
**Vinay Prakash Tripathi**  
**Company Secretary**

*Encl: as above*

**Spandana Sphoorty Financial Limited**

CIN - L65929TG2003PLC040648

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PRESS RELEASE

## Spandana AUM grows by 32% YoY, NII up by 47% YoY. Reports ₹56 Cr PAT despite disruptions induced by heat wave and long drawn general elections.

**Hyderabad, July 27, 2024:** Spandana Sphoorty Financial Limited (NSE: SPANDANA, BSE: 542759) (“Spandana”) announced its unaudited financial results for the quarter June 30, 2024 today.

**Highlights for Q1FY24:**

• AUM	-	₹11,723 Cr; +32% over Q1FY24 (₹8,848 Cr)
• Disbursement	-	₹2,283 Cr; +37% over Q1FY24 (₹1,664 Cr)
• GNPA & NNPA	-	2.60% & 0.53% (1.63% & 0.49% in Q1FY24)
• Income	-	₹737 Cr; +40% over Q1FY24 (₹527 Cr)
• Net Interest Income	-	₹425 Cr; +47% over Q1FY24 (₹290 Cr)
• PAT	-	₹56 Cr; -53% over Q1FY24 (₹119 Cr)

**Mr. Shalabh Saxena, CEO and Managing Director**, while announcing the results stated, “Q1FY25 was a challenging quarter for the company. The long drawn 7 phase general elections, severe heat wave across the country and higher attrition in select geographies posed a challenge to the quality of the portfolio.

*Despite these temporary disruptions, our teams were able to add about 2 lac new borrowers during the quarter taking our total customer base to 34.1 Lacs (+42% YoY). Disbursement for the quarter was up by 37% YoY to ₹2,283 Crore. Income was up 40% YoY to ₹737 Crore and NII increased by 47% YoY to ₹425 Crore.*

*The challenges faced during the quarter reflected in elevated delinquencies and higher credit costs resulting in PAT declining to ₹56 Crore from ₹119 Crore reported for Q1FY24. GNPA at the end of the quarter was at 2.60% and NNPA was at 0.53%. We expect the business to be normalized by the second half of the year.*

*With the constant support of all our stakeholders and the efforts of our employees, we are reasonably confident of sustaining our growth momentum while improving the efficiencies of existing operations during the course of the year.”*

Highlights for the quarter Q1FY25:

1. AUM – ₹11,723 Cr a 32% YoY growth (₹8,848 Cr – Q1FY24).
2. Disbursement & Member Acquisition – Our focus on customer acquisition led growth continues.
  - a. ~2 Lac new customers were added during Q1FY25 - a decline of 23% YoY. The decline was largely due to challenges including heat wave and general elections.
  - b. Disbursement for the quarter was ₹2,283 Cr vs. ₹1,664 Cr in Q1FY24, growth of 37%
3. Asset Quality – temporary disruptions had an impact on asset quality.
  - a. GNPA – 2.60% (31-Mar-24 – 1.50%)
  - b. NNPA – 0.53% (31-Mar-24 – 0.30%)
  - c. PCR – Provision Coverage Ratio has been maintained at 79.66%
4. Collection Efficiency-
  - a. Gross Collection Efficiency was at 97.5% for Q1FY25 (99.3% in Q4FY24).
  - b. Net collection efficiency for the quarter Q1FY25 was 94.0% (96.5% in Q4FY24)
5. Borrowings- We continue to optimize our borrowing mix. Banks now account for 59% of total borrowings
  - a. ₹1,554 Cr was mobilized during Q1FY25 – flat as compared to Q1FY24.
6. Financial Performance -
  - a. Total Income: ₹737 Cr in Q1FY25 - growth of 40% YoY
  - b. Net Interest Income: ₹425 Cr in Q1FY25, QoQ growth of 47%
  - c. Yield: 24.4% (24.0% in Q1FY24) – improvement of 35 bps YoY
  - d. Cost of borrowings: 11.6% in Q1FY25 decrease of 92 bps YoY
  - e. Pre-Provision Operating Profit (PPOP): ₹287 Cr for Q1FY25 - growth of 52% YoY
  - f. Profit after tax: PAT for the quarter was impacted by credit cost due to an increase in delinquencies. Q1FY25 PAT was ₹56 Cr vs. ₹119 Cr in Q1FY24.

**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 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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