



Ref: SSFL/Stock Exchange/2019-20/38  
Date: January 28, 2020

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- Financial Results for quarter and nine months ended December 31, 2019.**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Press Release on the Financial Result of the Company for quarter and nine months ended December 31, 2019.

The aforesaid information can also be accessed on the website of the Company at [www.spandanaindia.com](http://www.spandanaindia.com).

We request you to kindly take on record.

Thanking you.

For Spandana Sphoorty Financial Limited



Rakesh Jhinjhar  
Company Secretary  
Membership No.: F8325



**Spandana Sphoorty Financial Limited**

CIN - L65929TG2003PLC040648

Plot No.31 & 32, Ramky Selenium Towers, Tower A,  
Ground Floor, Financial Dist, Nanakramguda, Hyderabad - 500 032.

Ph : +91 40 48126666, Fax : 040-44386640

contact@spandanaindia.com, www.spandanaindia.com



28<sup>th</sup> January, 2020, Hyderabad

Spandana Sphoorty Financial Limited (SSFL) (NSE: SPANDANA, BSE: 542759), third largest microfinance institution by AUM has announced its unaudited financial results for the quarter and nine months ended 31<sup>st</sup> December, 2019. The accounts have been subjected to a limited review in line with the regulatory guidelines. The financial numbers are based on IndAS.

### Business & Financial Performance

Particulars (Rs. Crs.)	Q3FY20	Q3FY19	Y-O-Y
Assets under Management (AUM)	5,879	4,204	+40%
Loan Disbursements	1,971	1,209	+63%
Net Interest Income	233	163	+43%
Profit After Tax (PAT)	130	93	+40%
Networth	2,505	1,813	+38%
Cost of Borrowings (%)	10.9%	12.6%	-170 bps
Net Interest Margin (NIM) (%)	16.4%	15.9%	+50 bps
Cost to Income (%)	20.7%	22.8%	-210 bps
Opex (%)	4.0%	4.3%	-30 bps
ROA (%)	9.1%	9.0%	+10 bps
ROE (%)	21.1%	21.1%	-

### Distribution Network and Outreach

- As on 31<sup>st</sup> December, 2019 the Company has 980 branches with presence in 16 states and 1 union territory and 276 districts
- During the quarter, the Company opened 50 new branches, expanded the geographical reach to 4 new districts
- As on 31<sup>st</sup> December, 2019 the Company has 5,586 loan officers compared to 4,193 loan officers as of 31<sup>st</sup> December, 2018
- No. of Borrowers as on 31<sup>st</sup> December, 2019 stood at 24.6 lakh as compared to 23.8 borrowers as on 31<sup>st</sup> December, 2018

### Geographical Diversification

- Spandana has strong focus on geographical diversification at multiple levels – state, district and branch
- Orissa, the largest state in terms of Spandana's AUM, has less than 18.0% of the total AUM
- Top three states exposure account for 49% of the total exposure
- Only 16 districts have more than 1% of the total AUM. No branch has more than 0.3% of the total AUM



### **Borrowing Profile**

- Total Borrowings are at Rs. 2,971 crores as on 31<sup>st</sup> December, 2019. Debt-to-equity ratio is 1.2x
- As on 31<sup>st</sup> December, 2019, 87% of our borrowings are through Banks
- During the quarter, assignment transactions totalling Rs. 595 crores were completed

### **Asset Quality**

- Gross Non-Performing Assets (GNPA) at an AUM level stood at 0.33% as on 31<sup>st</sup> December, 2019 as compared to 0.42% as on 31<sup>st</sup> December, 2018
- Net Non-Performing Assets (NNPA) at an AUM level stood at 0.04% as on 31<sup>st</sup> December, 2019 as compared to 0.03% as on 31<sup>st</sup> December, 2018

### **Capital Adequacy and Liquidity**

- As on 31<sup>st</sup> December, 2019 the Capital Adequacy stood at 50.5% with Tier I Capital at 49.3% and Tier II Capital at 1.2%
- As on 31<sup>st</sup> December, 2019 the Company has a strong liquidity position with cash and cash equivalents of Rs. 491 crores and also unavailed sanctions of Rs. 1,010 crores

### **Credit Rating**

- ICRA has assigned a Credit Rating of A- (Stable). This rating was upgraded from BBB+ (Stable) in March, 2019 and reaffirmed in January, 2020

### **Commenting on the performance, Ms. Padmaja Gangireddy, Managing Director of Spandana Sphoorty Financial Limited, said**

“Despite facing multiple headwinds during the quarter, our Company has performed exceptionally well. We have been able to grow our book by 40% year on year to Rs. 5,879 crores. Our Profit after Tax (PAT) grew by 40% year on year to Rs. 130 crores. At Spandana, we have always believed in constantly evolving and adopting ourselves with the ever-changing environment by taking several strategic initiatives. We plan to grow our business in the future by leveraging our large network and employee base. The Company is focused on sustained business growth with increased focus on improving portfolio quality”



### **About Spandana Sphoorty Financial Limited (SSFL)**

Led by Ms. Padmaja Gangireddy for over 16 years, SSFL is one of India's premier microfinance institution. SSFL is the largest NBFC-MFI in terms of Profit Before Tax, 2<sup>nd</sup> largest in terms of Market Capitalization and 3<sup>rd</sup> largest in terms of AUM.

Having complete focus on rural areas with over 90% portfolio, SSFL is well diversified geographically with presence in 16 states and 1 union territory, 276 districts and have 980 branches. SSFL employs 7,545 employees and has a customer base of 24.6 Lakhs. The Company has a track record of resilient financial performance, high growth, and superior portfolio quality.

### **Safe Harbor Statement**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

### **For more information, please contact**

#### **Company:**

#### **Spandana Sphoorty Financial Limited**

CIN: L65929TG2003PLC040648

#### **Mr. Sudhesh Chandrasekar**

Chief Financial Officer

E: [sudhesh.c@spandanaindia.com](mailto:sudhesh.c@spandanaindia.com)

[www.spandanaindia.com](http://www.spandanaindia.com)

#### **Investor Relations Advisor:**

#### **Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

#### **Ms. Payal Dave / Ms. Neha Shroff**

E: [payal.dave@sgapl.net](mailto:payal.dave@sgapl.net) / [neha.shroff@sgapl.net](mailto:neha.shroff@sgapl.net)

T: +91 9819916314 / +91 7738073466

[www.sgapl.net](http://www.sgapl.net)