



Ref: SSFL/Stock Exchange/2020-21/17  
Date: June 03, 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: Investor Presentation of the Company on the Audited Financial Results for the Quarter and Financial Year ended March 31, 2020.**

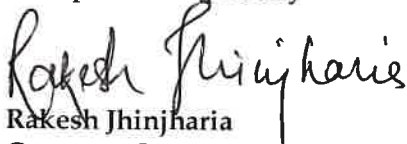
Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of Investor Presentation of the Company on the Audited Financial Results for the quarter and financial year ended March 31, 2020.

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

We request you to kindly take note of the same.

Thanking you

For Spandana Sphoorty Financial Limited



Rakesh Jhinjaria  
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

# Spandana Sphoorty Financial Limited

....Committed to low-income households



## Investor Presentation

June 2020



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Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

1 Performance Snapshot

2 COVID-19 Business Update

3 Key Operating Metrics

4 Key Financial Metrics

5 Spandana at a Glance

6 Learnings from Industry Cycles

7 Annexure

# Performance Snapshot

**Largest NBFC-MFI in terms of Profit Before Tax (PBT) & Profit After Tax (PAT)**

**2<sup>nd</sup> Largest NBFC-MFI in terms of Market Capitalization**

**3<sup>rd</sup> Largest NBFC-MFI in India with an AUM of Rs. 6,829 crore, 25+ lakh members and 1,010 branches**

Presence in 18 States

Net Worth (Rs. Crs.)  
2,626

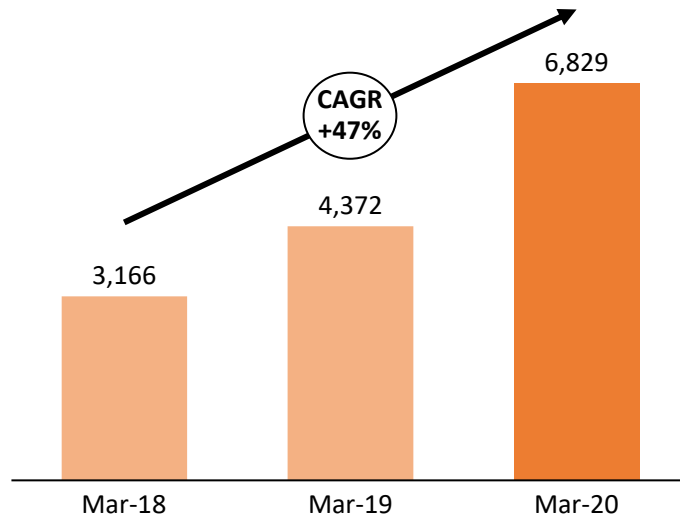
Leverage  
1.15x

GNPA / NNPA  
0.36% / 0.07%

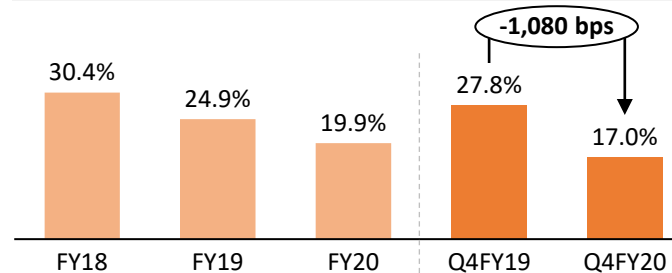
Capital Adequacy\*  
52.9%

Marginal Cost of Borrowing (FY20)  
10.2%

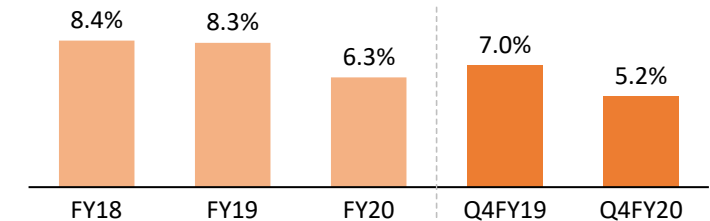
**AUM (Rs. Crs)**



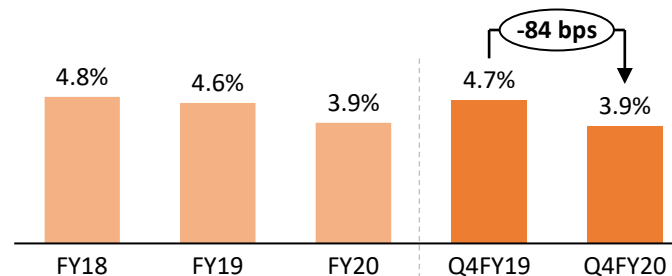
**Cost to Income Ratio**



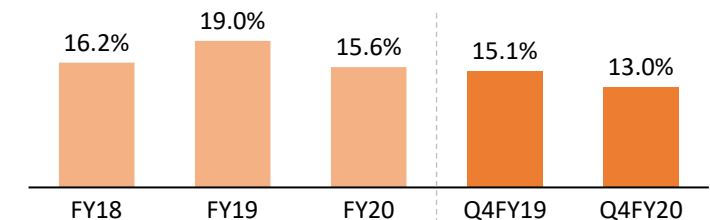
**RoA (%)**



**Opex to AUM Ratio**



**RoE (%)**

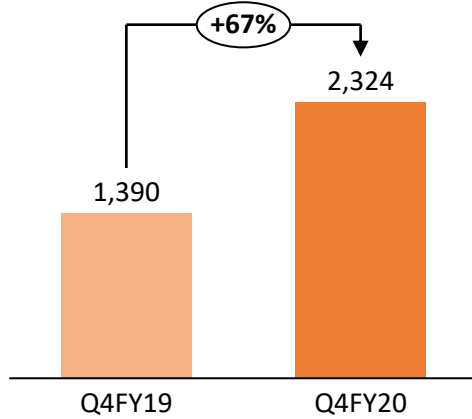


# Q4FY20 – Key Performance Highlights

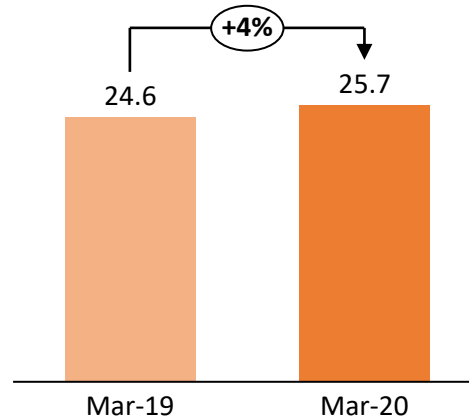


## Operating Metrics

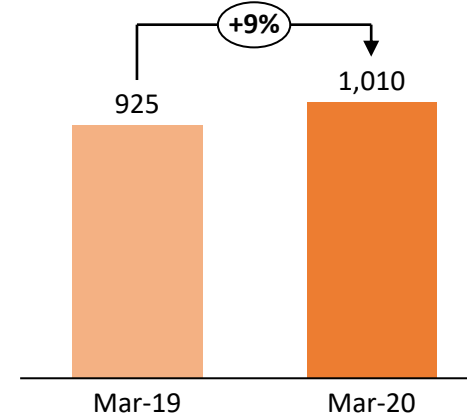
Disbursement (Rs. Crs)



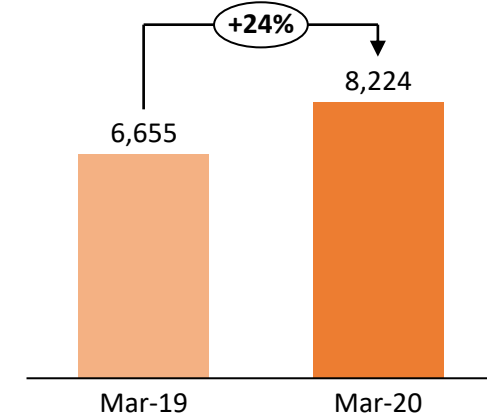
No. of Borrowers (In lakhs)



No. of Branches

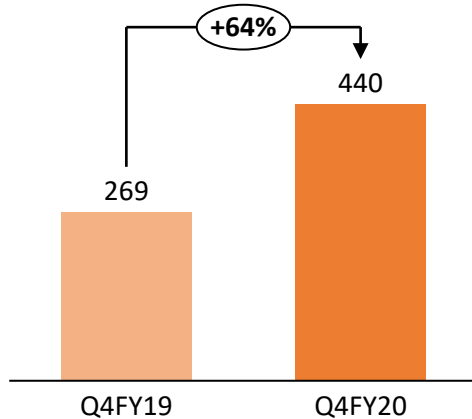


No. of Employees

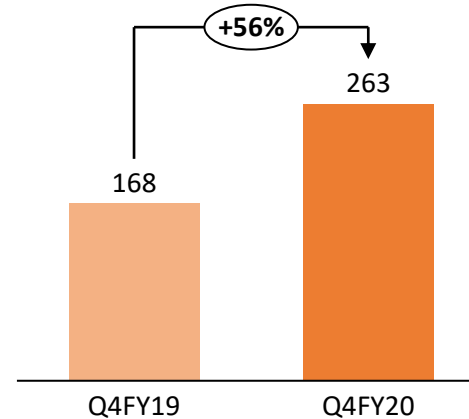


## Financial Metrics

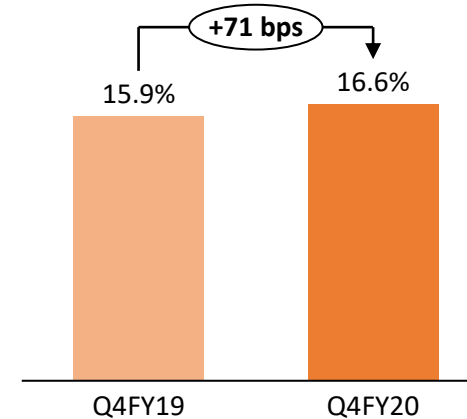
Total Income (Rs. Crs)



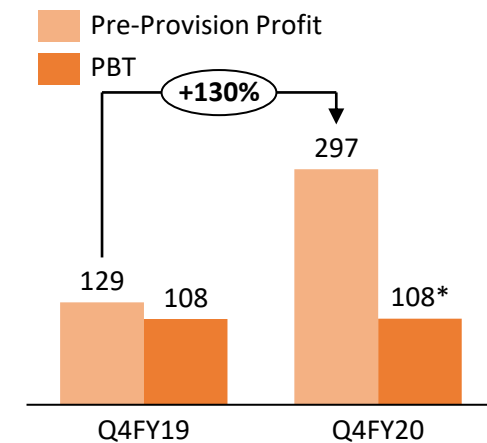
Net Interest Income (Rs. Crs)



NIM (%)



Profits (Rs. Crs)



\* Post Provision & write-off towards COVID-19 and others of Rs. 129 crs

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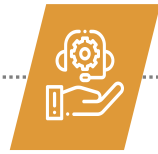
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# Seasoned and Resilient Business Model



**16+**

years of experience –  
withstood multiple crises in the  
microfinance space across its  
journey



## AP crisis: 2010

- Kept on-ground presence in AP by keeping branches open and engaging with customers



Spandana was the only MFI to collect ~44% of the total AP portfolio compared to other MFIs which didn't collect more than 25%



## Demonetization: 2016

- Few pro-active steps & measures taken
- Continuous effort on collections



Spandana got back to 95%+ collection efficiency within just 6 months. Was able to bring down PAR significantly i.e. 60% lower than the industry average



## Kerala and Odisha Floods: 2018 & 2019

- Assisted borrowers in different ways and focussed on collection efficiency



Spandana defied the industry and got back to normalcy in no time with the support of all its borrowers

**COVID-19:  
2020**

Experience of  
handling past  
crises



Highly skilled  
team to  
manage the  
Covid-19  
situation



Extremely  
diversified  
footprint



95% of  
borrowers in  
rural areas with  
limited impact



Strong Cash  
Position and  
Financial  
Flexibility



Spandana is expected to emerge  
faster and stronger



- ✓ Following the Central Government's announcement of a complete lockdown from 24<sup>th</sup> March 2020 onwards, Spandana closed down all branch and head office operations, suspending collections and other operations, in compliance with the order, and to ensure the health and safety of our employees
- ✓ Guided by the Covid-19 - Regulatory Package announced by the Reserve Bank of India, Spandana extended moratorium to its borrowers
- ✓ 95% of Spandana's borrowers are in rural areas (which fortunately have relatively lesser Covid19 incidence), and 57% engage in "essential services" activities such as dairy or agricultural activities – hence their cash flows and repayment capability are largely intact
- ✓ Average ticket size of our loans is Rs. 26,610 vs Rs. 37,465 for the industry – this means that our borrowers are better positioned to repay
- ✓ Pursuant to the order issued by the Ministry of Home Affairs on 15<sup>th</sup> April 2020, 79% of Spandana's branches became operational by April-end by complying with the regulatory guidelines on businesses, social distancing, etc.
- ✓ On 20<sup>th</sup> April 2020, started with only approximately 30% field staff strength but increased to almost 50% by April-end. The field staff started collecting from those borrowers who didn't want to avail moratorium
- ✓ **By May-end, all our branches became operational and more than 92% of the staff resumed work**
- ✓ **Collected more than Rs. 145 Cr (principal and interest) since 20<sup>th</sup> April 2020**

# Break-up of Provisions



Particulars (Rs. Crs)	Q1	Q2	Q3	Q4	FY20
Provision in the normal course of business	23	18	25	30	96
Impact of non old-AP portfolio write-off*	-	3	16	29	48
Provision and write-off related to Covid and others	-	-	-	129	129
Total Impairment on Financial Instruments (as per P&L)	23	21	42	188	274

\*Write-off of portfolio outstanding for more than 90 days

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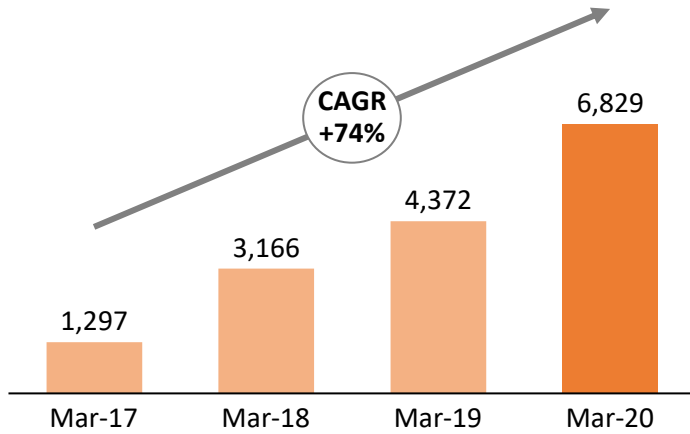
6 Learnings from Industry Cycles

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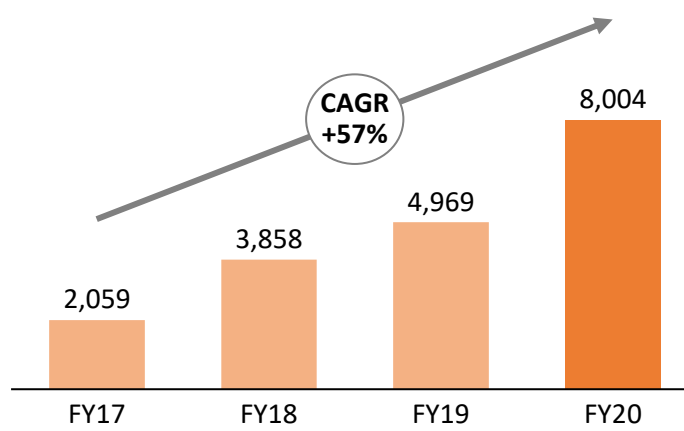
# Operational Summary



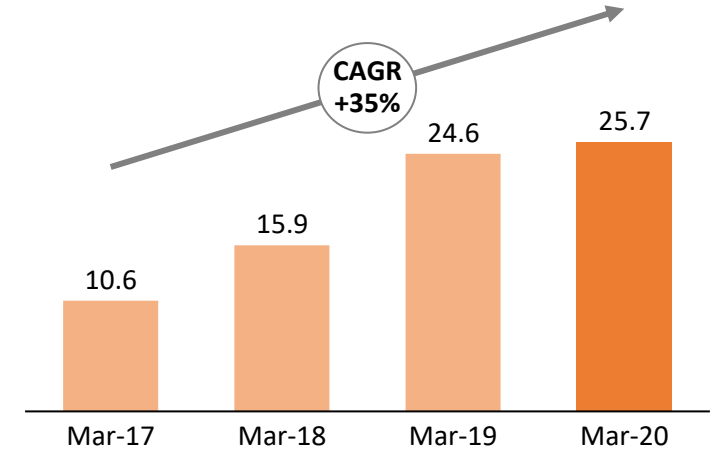
### AUM (Rs. Crs)



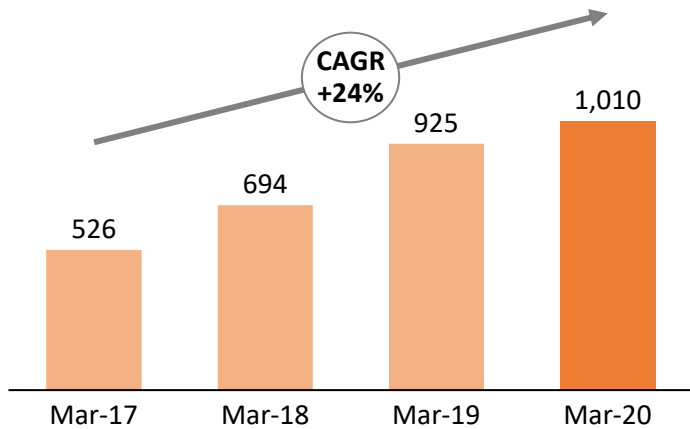
### Disbursements (Rs. Crs.)



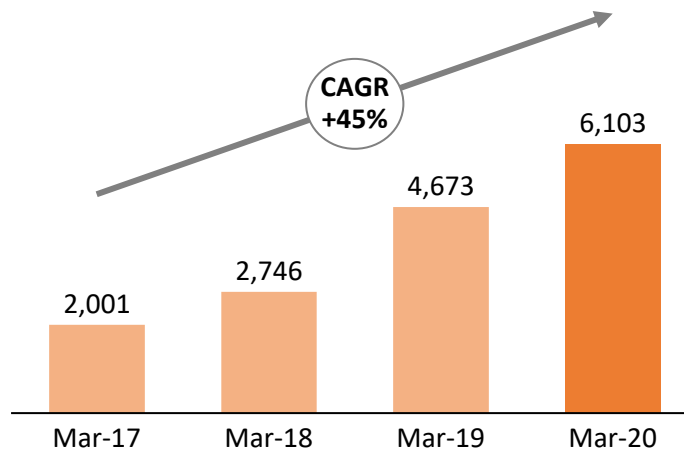
### Borrowers (In lakhs)



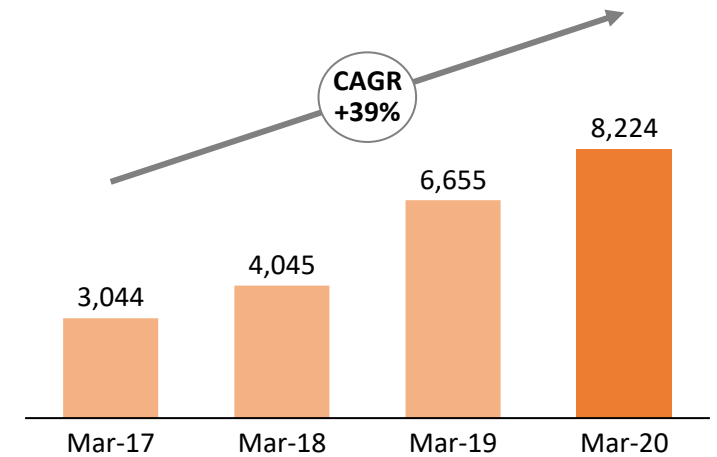
### No. of Branches



### No. of Loan Officers



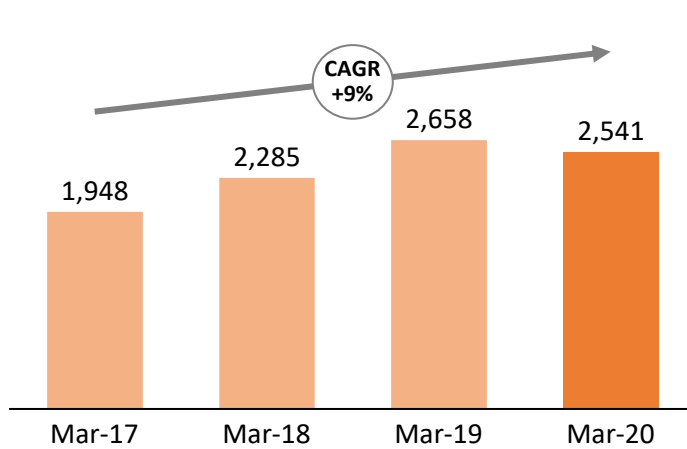
### No. of Employees



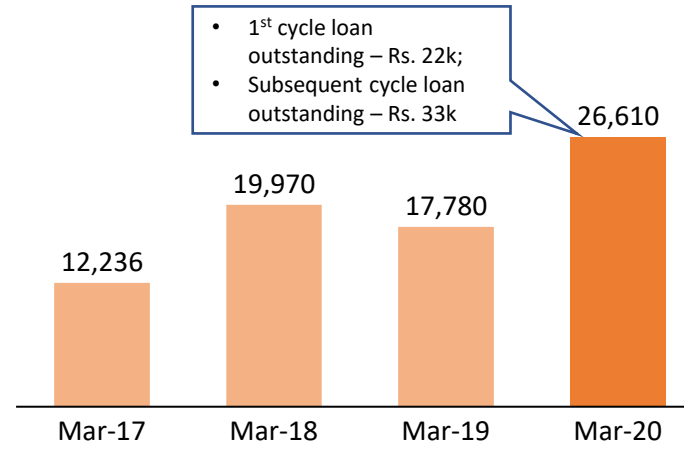
# Rising Branch and Employee Productivity



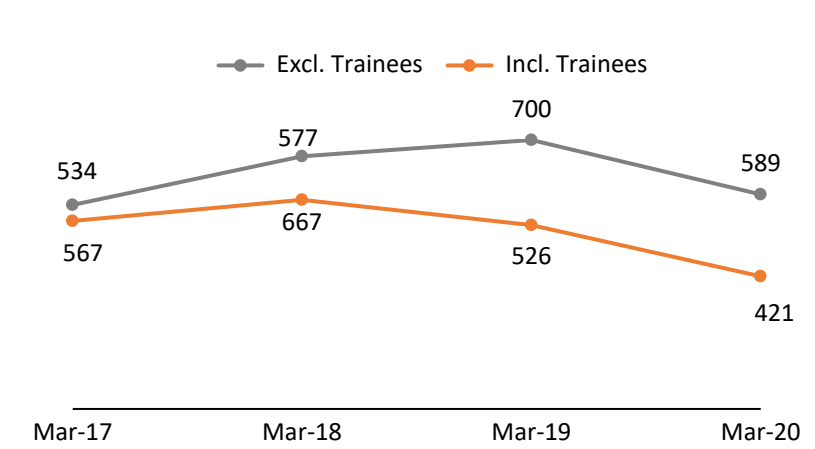
### Borrowers/Branch (#)



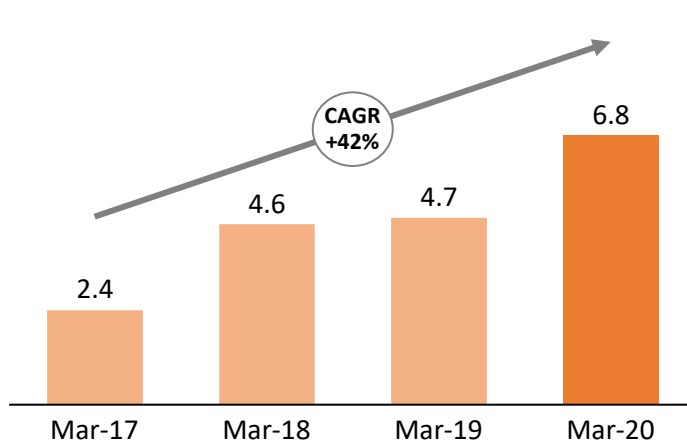
### AUM/Borrower (Rs.)



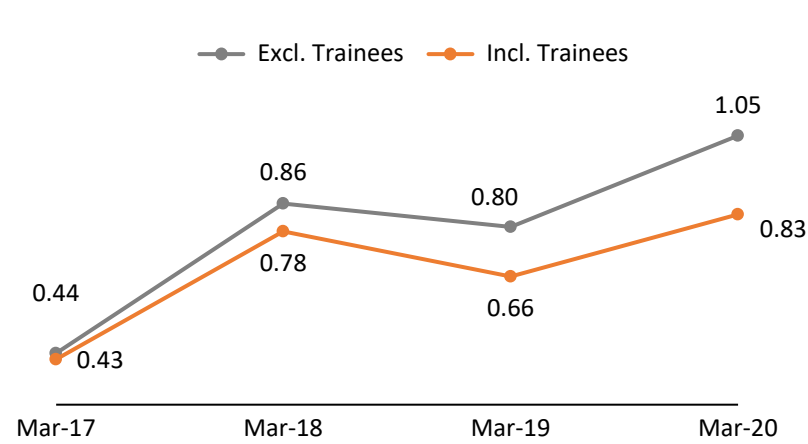
### Borrowers/Loan Officer (#)



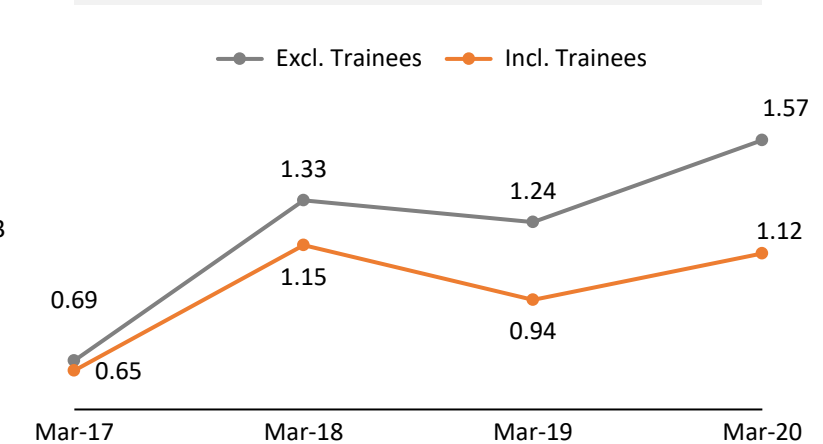
### AUM/Branch (Rs. Crs)



### AUM/Employee (Rs. Crs)



### AUM/Loan Officer (Rs. Crs)



Over the last one year Company has invested significantly in human resource to build capacity for future growth

# Diversified Geographical Presence

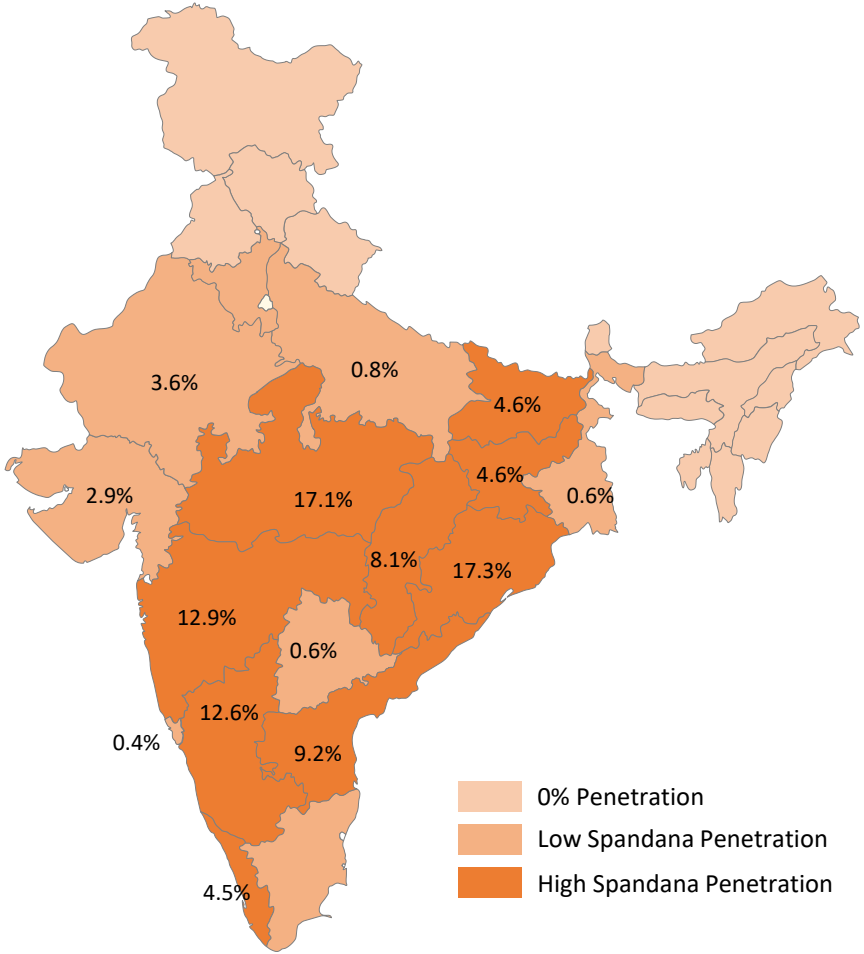
### Top States By Branch Network

Top States	Number of Branches
Madhya Pradesh	158
Orissa	148
Karnataka	130
Maharashtra	122
Andhra Pradesh	112
Chhattisgarh	79

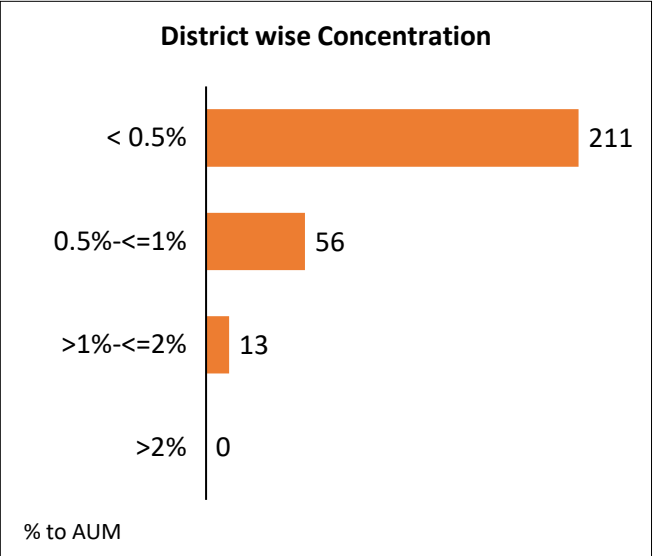
### State-wise Concentration

Top States	AUM Concentration
Orissa	17.3%
Madhya Pradesh	17.1%
Maharashtra	12.9%
Karnataka	12.6%
Andhra Pradesh	9.2%
Chhattisgarh	8.1%

### Well spread AUM Mix



Well dispersed district level exposure ensures low impact from region-specific issues



- Top 3 States constitute less than 48% of AUM
- No State more than 17.5% of AUM
- No District more than 1.7% of AUM
- No Branch has more than 0.3% of AUM

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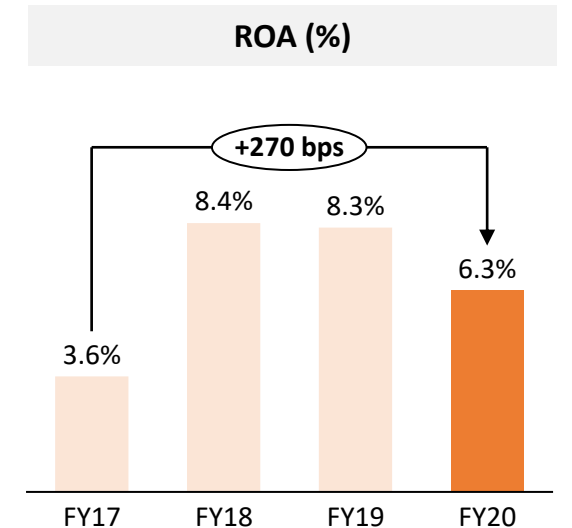
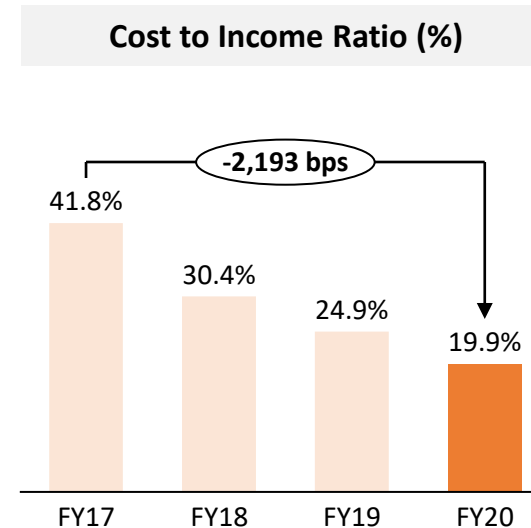
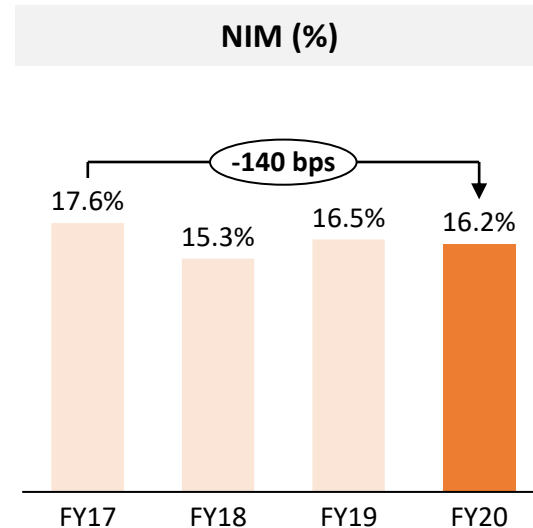
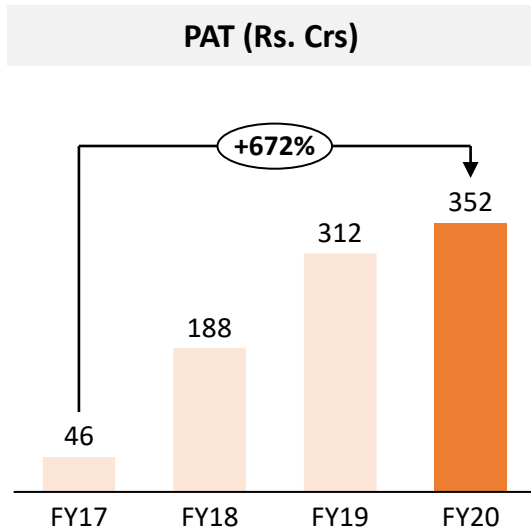
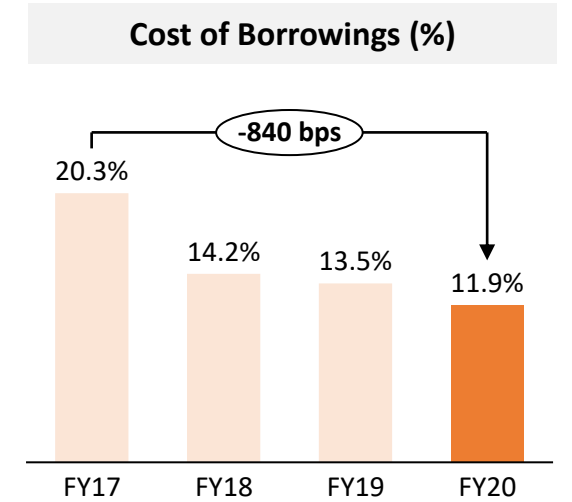
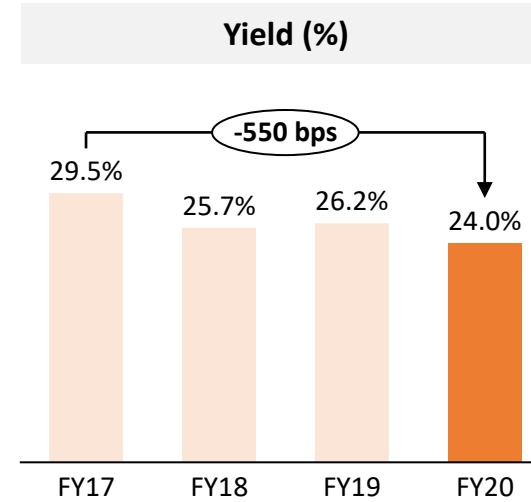
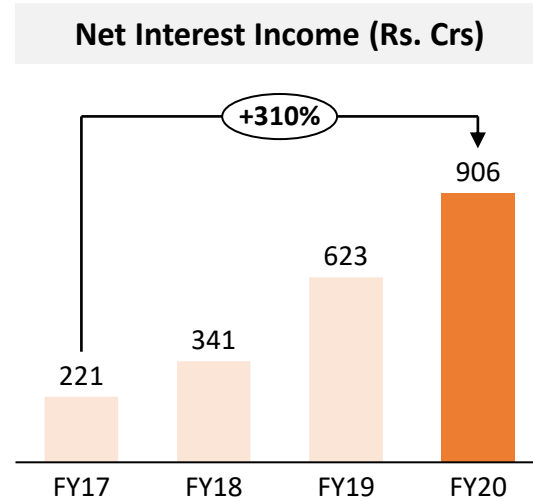
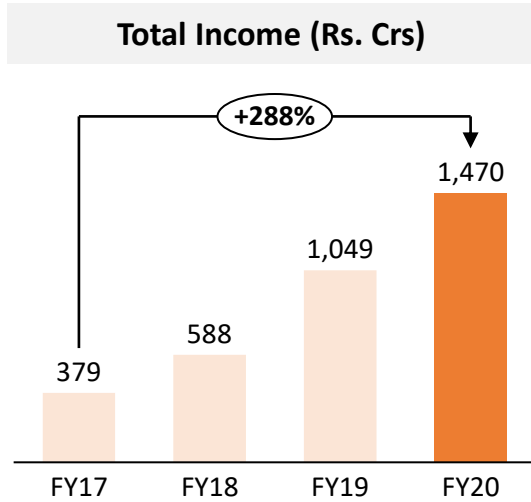
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# Financial Performance





# Profit & Loss Statement



Particulars	Q4 FY20	Q4 FY19	Y-o-Y	Q3 FY20	Q-o-Q*	FY20	FY19	Y-o-Y
<b>Revenue from Operations</b>								
Interest and Fee Income	297.6	256.8		292.0		1,169.2	997.9	
Fees & commission	17.4	3.6		8.8		37.1	15.0	
Net gain on fair value changes	108.6	3.8		46.8		218.5	26.7	
Other Operating Income	5.1	1.0		2.4		10.5	3.5	
Total income from operations	428.7	265.2		350.0		1,435.3	1,043.1	
Other Income	11.1	3.3		8.5		34.2	5.4	
<b>Total income</b>	<b>439.8</b>	<b>268.5</b>	<b>63.8%</b>	<b>358.5</b>	<b>22.7%</b>	<b>1,469.5</b>	<b>1,048.5</b>	<b>40.1%</b>
<b>Expenses</b>								
Finance Cost	82.5	90.0		84.9		356.3	357.9	
Impairment/Credit Cost	58.9	21.2		41.5		144.4	45.3	
Employee Expenses	48.6	37.3		42.0		170.7	131.0	
Depreciation	2.3	2.0		2.2		8.8	7.0	
Other Expenses	9.7	10.2		12.1		41.6	33.9	
Total Expenses	202.1	160.7		182.7		721.8	575.1	
<b>Profit before Tax</b>	<b>237.7</b>	<b>107.8</b>	<b>120.5%</b>	<b>175.8</b>	<b>35.2%</b>	<b>747.7</b>	<b>473.5</b>	<b>57.9%</b>
Tax in normal course	25.4	34.1		46.2		153.8	161.6	
<b>Normalized Profits</b>	<b>212.2</b>	<b>73.7</b>	<b>188.1%</b>	<b>129.6</b>	<b>63.8%</b>	<b>593.8</b>	<b>311.9</b>	<b>90.4%</b>
Exceptional Deferred Tax adjustment*	-	-		-		112.8	-	
Provision and write-off related to Covid-19 and others	129.2	-		-		129.2	-	
<b>Net Profit (as reported)</b>	<b>83.0</b>	<b>73.7</b>	<b>12.7%</b>	<b>129.6</b>	<b>-35.9%</b>	<b>351.8</b>	<b>311.9</b>	<b>12.8%</b>

\*Due to exercising the option permitted u/s 115 BAA to compute income tax at the revised rate of 25.17%, the Company had to let go of MAT credit and had to provide for impairment of Deferred Tax Asset in Q2FY20, which were exceptional in nature

# Balance Sheet

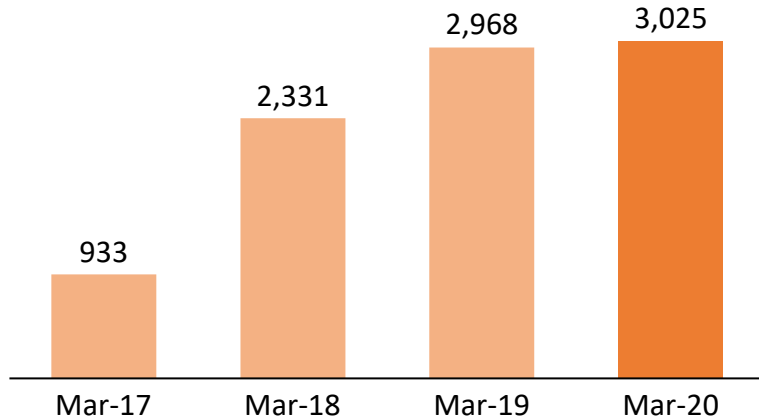


ASSETS (Rs. Crs.)	Mar 31, 2020	Mar 31, 2019
<b>Financial Assets</b>		
Cash and cash equivalents	59.6	148.6
Money Market instruments	487.5	0.1
Bank Balances other than cash and cash equivalents	197.5	203.2
Trade Receivables	22.4	3.5
Loan Portfolio	4,852.4	4,267.8
Other financial assets	290.5	60.4
<b>Total Financial Assets</b>	<b>5,909.9</b>	<b>4,683.7</b>
<b>Non-Financial Assets</b>		
Current tax assets (net)	15.3	8.3
Deferred tax assets (net)	7.0	200.0
Property, Plant and Equipment	15.2	7.2
Intangible assets	1.3	2.2
Goodwill	17.4	17.4
Other non-financial assets	11.2	13.0
<b>Total Non-Financial Assets</b>	<b>67.5</b>	<b>248.1</b>
<b>Total Assets</b>	<b>5,977.4</b>	<b>4,931.7</b>

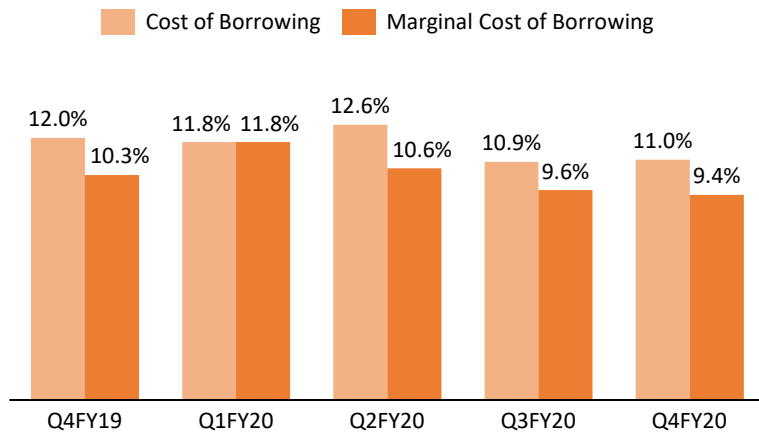
LIABILITIES & EQUITY (Rs. Crs.)	Mar 31, 2020	Mar 31, 2019
<b>Financial Liabilities</b>		
Debt Securities	777.6	1,372.0
Borrowings (Other than Debt Securities)	2,227.3	1,575.5
Subordinated Liabilities	20.3	20.3
Other Financial liabilities	227.2	44.5
<b>Total Financial Liabilities</b>	<b>3,252.5</b>	<b>3,012.2</b>
<b>Non-Financial Liabilities</b>		
Current Tax Liabilities (net)	64.7	6.3
Provisions	2.8	0.4
Other Non-Financial liabilities	30.1	22.5
<b>Total Non-Financial Liabilities</b>	<b>97.7</b>	<b>29.1</b>
<b>Equity</b>		
Equity Share Capital	64.3	59.6
Other Equity	2,561.7	1,829.8
<b>Equity attributable to shareholders of the company</b>	<b>2,626.0</b>	<b>1,889.4</b>
Non-Controlling Interest	1.2	0.9
<b>Total Equity</b>	<b>2,627.2</b>	<b>1,890.4</b>
<b>Total Liabilities and Equity</b>	<b>5,977.4</b>	<b>4,931.7</b>

# Diversified Borrowing Profile

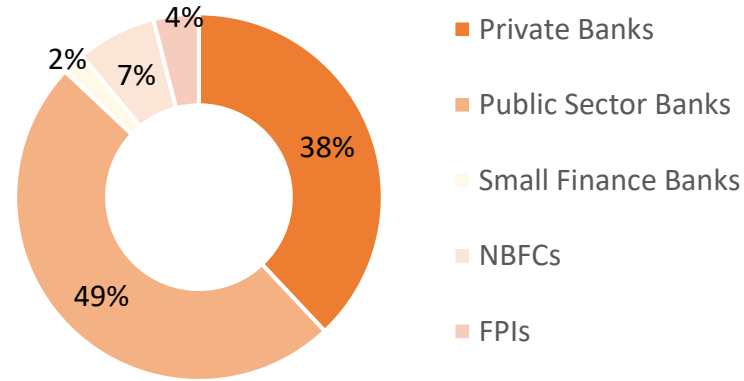
**Borrowings (Rs. Crs)**



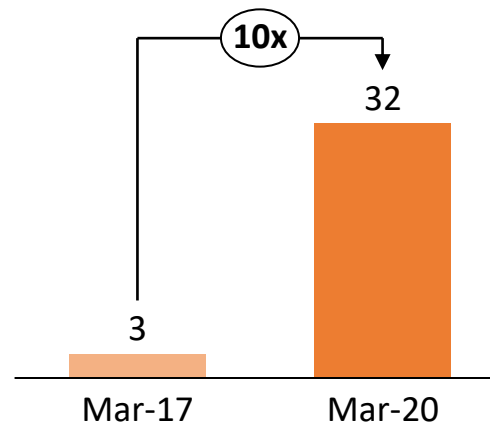
**Cost of Borrowing (%)**



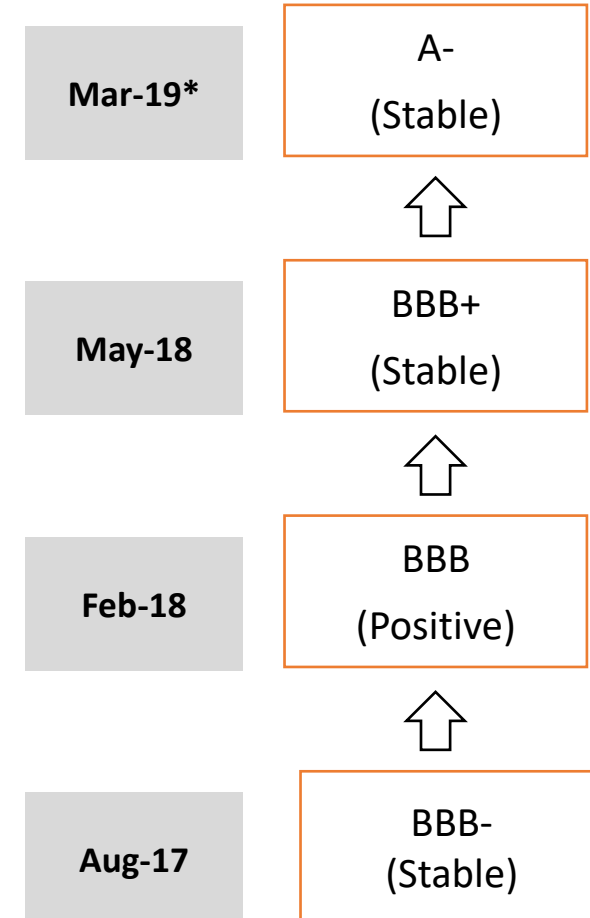
**Diversified Funding Mix (As on Mar-20)**



**Lenders Confidence Restored**



**Improving Credit Rating  
(3 upgrades by ICRA in two years)**



\* ICRA has reaffirmed its rating of A- (Stable) in January 2020

# Comfortable Liquidity Position



Particulars (Rs. Crs)	Apr-20 (Actual)	May-20 (Actual)	Jun-20 (Projected)
Opening Cash & Equivalents	547	406	400
Loan collections [Principal & Interest]	14	132	300
Fresh Borrowings	300	-	550
<b>Total Inflows</b>	<b>314</b>	<b>132</b>	<b>850</b>
Disbursement	-	2	150
Repayment (Principal & Interest)			
- Term Loan & NCDs	202	128	218
- PTC & DA	235	4	41
Others (net)	18	5	20
<b>Total Outflows</b>	<b>455</b>	<b>139</b>	<b>429</b>
<b>Closing Cash &amp; Cash Equivalents</b>	<b>406</b>	<b>400</b>	<b>820</b>

- ✓ All term loan and NCD dues in April were repaid to all lenders, including those who provided moratorium
- ✓ In May, Spandana availed moratorium on only Rs. 30.2 Crs of term loan dues
- ✓ As of May 31, Spandana has undrawn sanctioned limits of Rs. 340 Crs
- ✓ Sanctions in pipeline is Rs. 1,825 Crs which is expected to be drawn in July/August

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# Company Overview

- Founded by Padmaja Reddy who has over 24 years of experience in development and microfinance sector

- Operating as an NBFC since 2004 and NBFC-MFI since 2015

- By March 2010, we were the 2<sup>nd</sup> largest MFI in India in terms of AUM and borrowers and were one of the most profitable players\*

- Regulatory action in the formerly unified state of Andhra Pradesh severely impacted our company and the company was placed into the CDR mechanism

- Spandana was one of only two NBFC – MFIs to exit CDR successfully, post the AP crisis, in March 2017\*

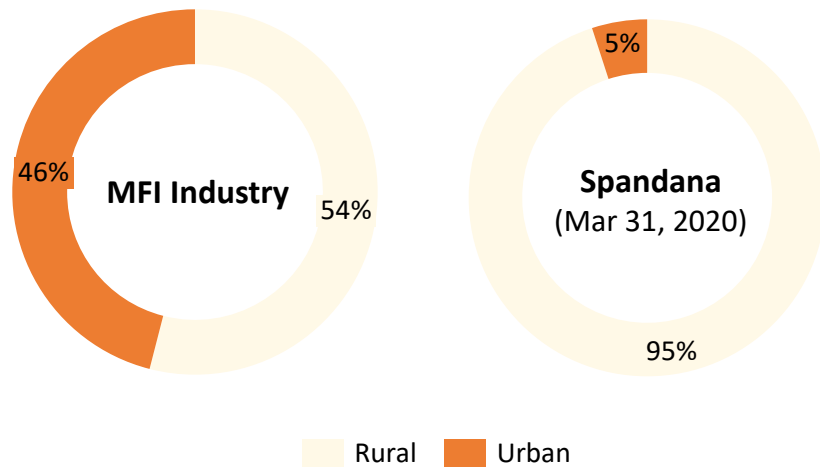
- Awarded the “Best Entrepreneur -2019” by Confederation of Indian Industry (CII)

- Spandana is the largest in terms of PBT & PAT, 2<sup>nd</sup> largest in terms of Market cap and 3<sup>rd</sup> largest NBFC-MFI in terms of AUM as on 31<sup>th</sup> March 2020

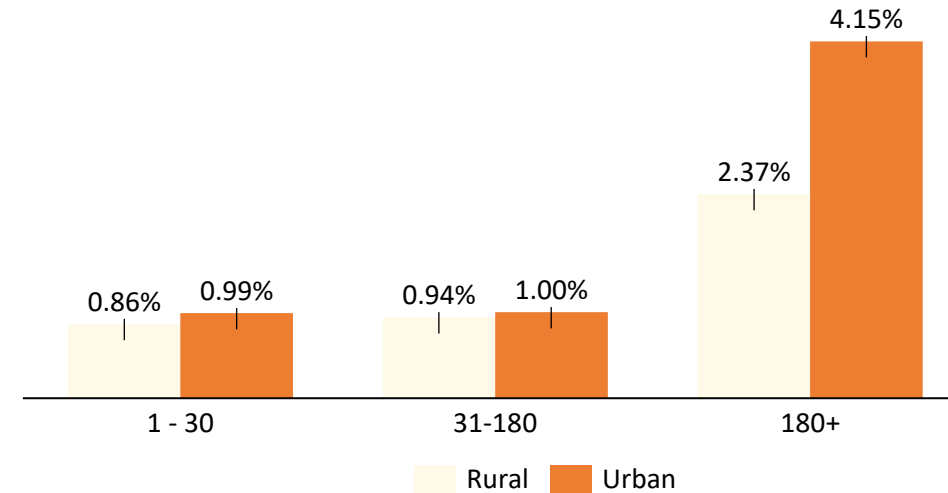
- Listed on 19<sup>th</sup> August 2019 on NSE & BSE



**MFIs - Urban vs. Rural AUM Split\***



**MFIs - Urban vs. Rural Industry Portfolio Quality\***



- Industry is skewed towards urban<sup>#</sup>
- Rural India has 6,40,000 Villages<sup>#</sup>

- Close to 68% of India’s population live in rural areas<sup>#</sup>
- Delinquencies in urban portfolio higher than those in rural portfolio<sup>#</sup>

**Industry growth is skewed towards urban markets leaving space for growth in rural markets, which also demonstrate better asset quality. Further urban geographies is expected to have higher impact of COVID-19 compared to rural geographies.**

\*Source: MicroLend – Quarterly publication on microfinance lending – Vol VIII- June 2019

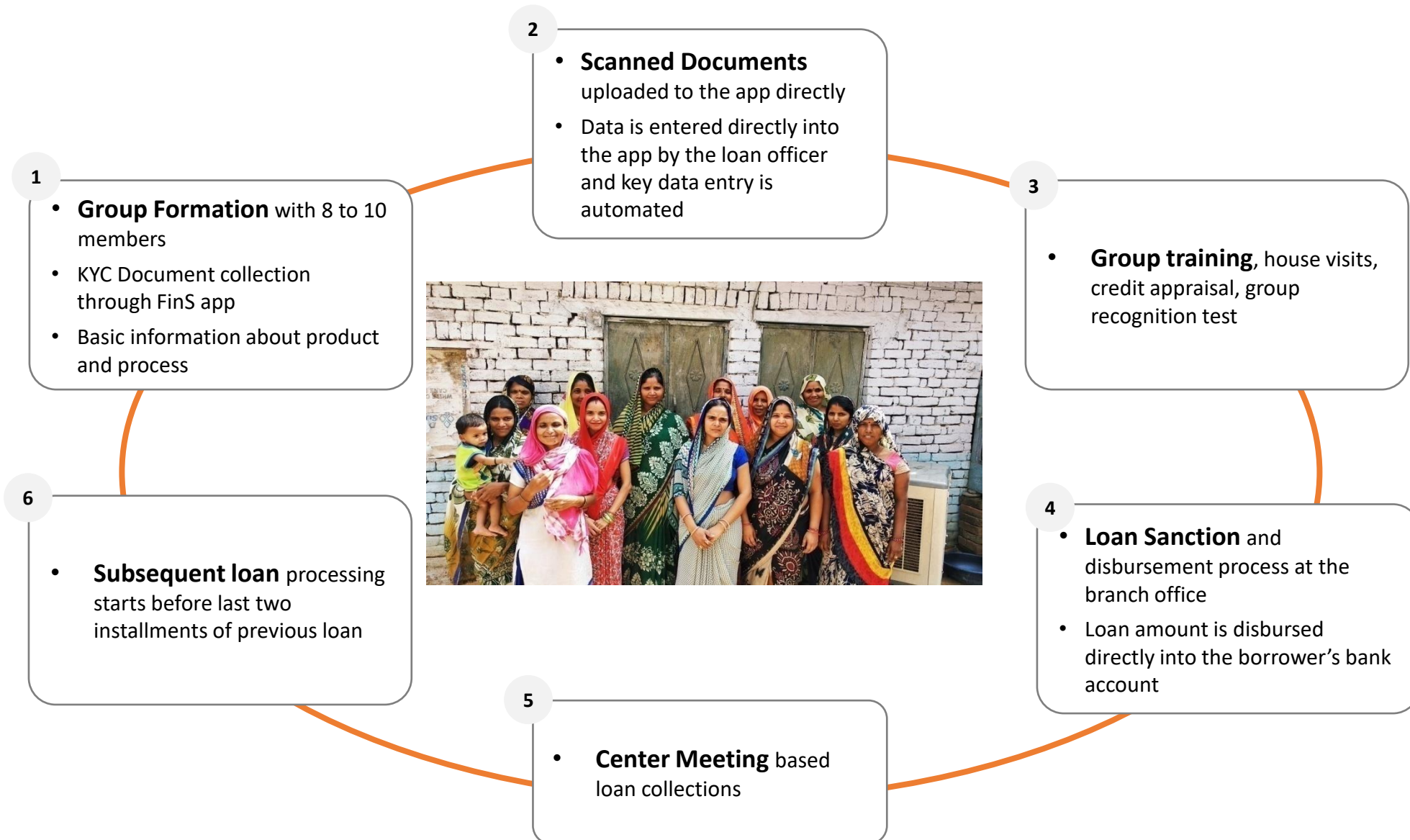
<sup>#</sup> ICRA Research - Report titled “Indian Microfinance Sector” dated July 9, 2019

# Our Products



Product Name	Purpose	Interest Rate (%)	Tenor	Ticket Size (Rs.)
<b>Core Product: 98% of AUM</b>				
Abhilasha	<ul style="list-style-type: none"> <li>Abhilasha stands for “Aspiration”</li> <li>This unique loan is designed especially for low-income households who aspire to improve their financial well-being</li> <li>The primary objective of this loan is to empower women in setting up and expanding income generating activities, smoothen household cash flows and acquire productive assets</li> </ul>	21.87% to 24%	1 to 2 Years	25,000 to 80,000
Interim Loans	<ul style="list-style-type: none"> <li>Loans given only to existing borrowers to meet their interim and emergency requirements</li> </ul>	21.87% to 24%	1 to 4 years	10,000 to 20,000
<b>Other Products: 2% of AUM</b>				
Loan Against Property (LAP)	<ul style="list-style-type: none"> <li>Offered to clients who own business, are self- employed or salaried. These are given against the mortgage of residential/houses/ Commercial shops (excluding any open plots on agriculture land)</li> </ul>	22% to 26%	1 to 10 Years	1,00,000 to 50,00,000
Gold - Keertana Loans	<ul style="list-style-type: none"> <li>Offered in the states of Andhra Pradesh and Telangana for Agriculture, Business and short-term liquidity needs</li> </ul>	16% to 27%	1 to 12 Months	1,000 to 10,00,000
Blue Lemon Loans	<ul style="list-style-type: none"> <li>Offered to finance the purchase of consumer products</li> </ul>	21.87% to 24%	1 to 2 years	1,000 to 16,000







**Business Model**

- Group size of 8 to 10 women
- Loans given under Joint Liability Group (JLG) model
- Fortnightly & monthly centre meetings
- Leverage the existing customer network (borrowers and branches) to cross sell non-financial products
- No Regional, Divisional and Zonal offices (only branches & corporate office)



**Processes**

- Standardized systems and a front-end interface that gives real time information on demand and collections
- Checks and controls built on the system have been automated with minimal human intervention
- Timely disbursement of loan to all in the group at one-go
- Disbursement norms are also calibrated based on branch categories
- Mandatory credit bureau check prior to loan disbursement



**HR policies**

- Strict employee transfer policy with adherence to operational risk control
- Performance driven culture through incentive structure for field staff
- Seasoned Credit Assistants ("CAs") can be trained to assume the role of Branch Managers ("BMs") while seasoned BMs can be trained to assume the role of Cluster Managers
- Grooming internal employees and building talent pool for future growth

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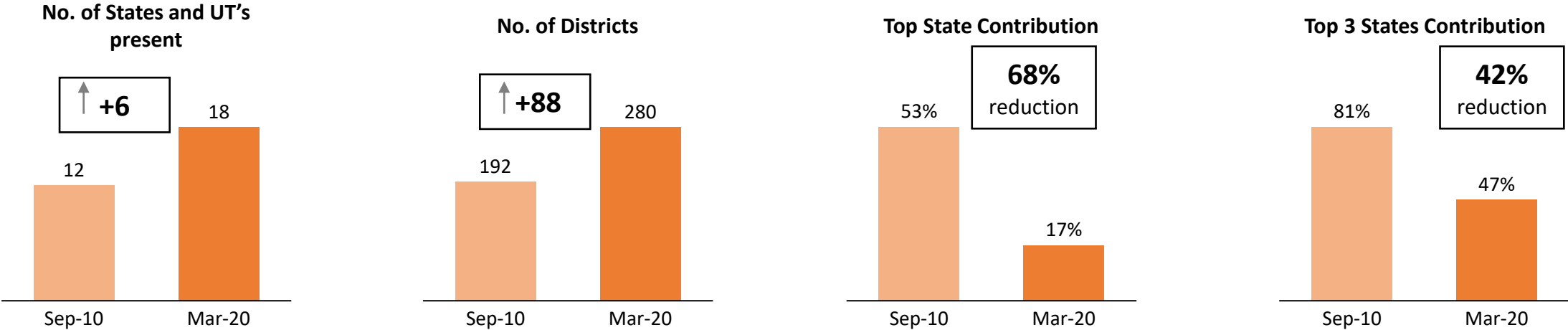
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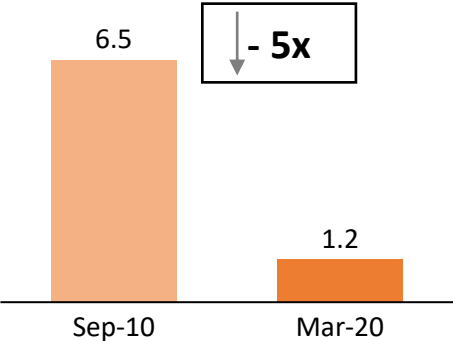
7 Annexure

# Implemented Learning from AP Crisis

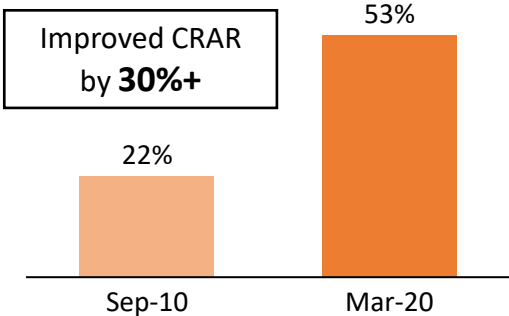
## Diversified Geographical Presence



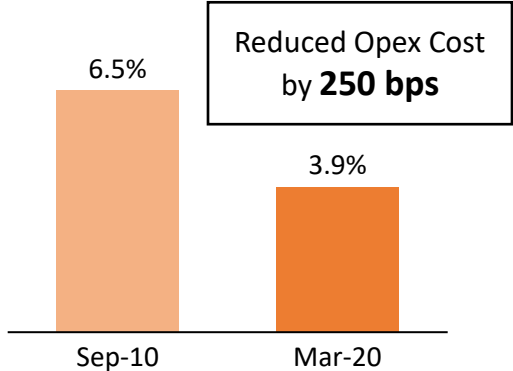
## Reduced Leverage



## Improved Capital Adequacy



## Improved Opex Ratio



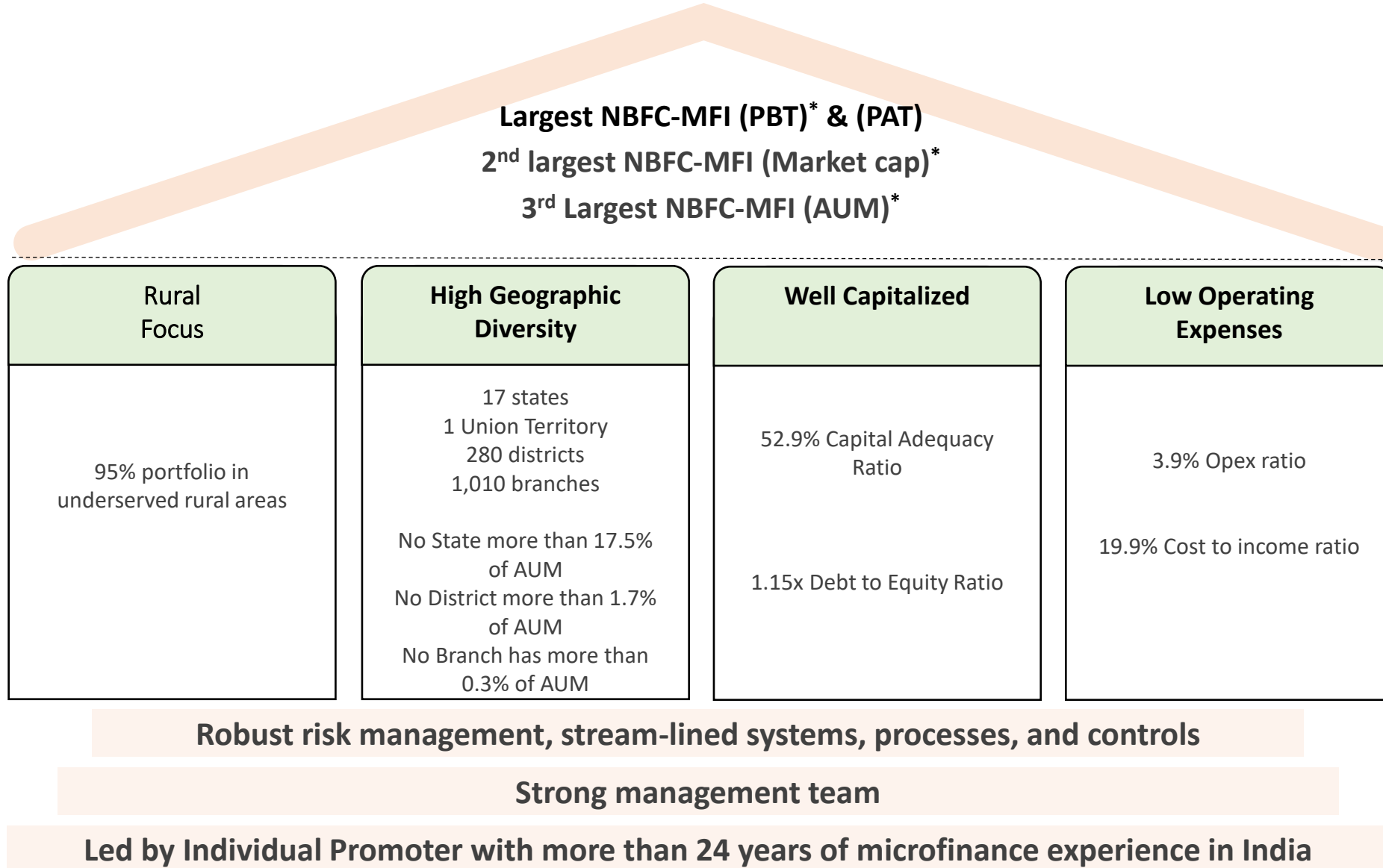
Regulatory action in the formerly unified state of Andhra Pradesh in October 2010 severely impacted our Company and the Company was placed into the CDR mechanism

# Strong Performance since CDR Exit

Rs. Crs.	CDR Exit March-17	3 Yrs	3 <sup>rd</sup> Largest MFI in the Country* Mar-20
Gross AUM (excl. old AP)	1,297	5.3x	6,829
Net worth <sup>#</sup>	928	2.8x	2,626
Gross PAR 90+	89 <sup>@</sup>	Reduced by 80%	18
Profit before Tax	46 <sup>#</sup>	13x	618
Lenders	3	10x	32
Credit rating <sup>^</sup>	NA	3 Upgrades	A - (Stable)
Cost of Borrowings	16.3%	Reduced by 440 bps	11.9%

\*Source ICRA Research - Report titled "Indian Microfinance Sector" dated July 9, 2019  
<sup>#</sup> March 2017 figures are restated as per Ind-AS financials

<sup>^</sup> Standalone Credit Rating  
<sup>@</sup> PAR was high due to demonetization impact



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# IPO Details

Face Value	Rs.10 Per Share
Issue Price	Rs. 856 Per Share

Particulars	Shares	Rs. Crores
Fresh Issue	4,543,385	389*
Offer For Sale	9,356,725	801
Total	13,900,110	1,190

## Shareholding Structure (%)

Particulars	Pre IPO	Post IPO
Promoter Holding	78.71%	62.72%
Public Holding	21.29%	37.28%
Total	100.0%	100.0%

## Objects of the Issue

To utilise the Net Proceeds from the Fresh Issue towards augmenting its capital base to meet future capital requirements

Listed on NSE and BSE on 19<sup>th</sup> August 2019





# Experienced Board of Directors



**Deepak Calian Vaidya | Chairman & Independent Director**  
A fellow of ICA in England and Wales since 1979. Served as a BoD of Capricorn Securities, Arc Advisory Services, Apollo Gleneagles Hospital, Bombay Oxygen Investments, UTI Capital, etc.



**Sunish Sharma | Nominee Director, Kedaara Capital**  
He is the Managing Partner and co-founder of Kedaara Capital. Previously, he was a MD at General Atlantic, where he worked for 8 years. He worked at McKinsey & Co. for over six years. He has extensive private equity investment experience. He has an MBA from IIM-Calcutta and is a qualified cost accountant from ICWAI.



**Ms. G Padmaja Reddy | Managing Director**  
She is post-graduation in management, worked in an NGO and later in 1998, started 'Spandana'. She pursued various trainings on Microfinance – all CGAP modules on Microfinance, a course on Microfinance at Naropa University, Credit and Micro Enterprise Development Training from Durham University, U.K Market Research for Micro Finance at Uganda etc.



**Kartikeya Dhruv Kaji | Nominee Director, Kedaara Capital**  
He serves as a Director at Kedaara Capital. He has previously worked with Perella Weinberg Partners and Merrill Lynch in New York, and with Temasek Holdings Advisors India.



**Jagadish Capoor | Independent Director**  
He has previously worked as the deputy governor of the RBI for more than four years. He also serves as a BoD of HDFC Securities, LIC Housing Finance, LIC Pension Fund, LIC HFL Trustee Company Private etc



**Amit Sobti | Nominee Director, Kedaara Capital**  
He is currently a Director with the Private Capital division at Ontario Teachers' Pension Plan (Asia) in Hong Kong and has over 20 years of experience in private equity and investment banking including over two years with Unitas Capital, nine years with Warburg Pincus LLC, and two years with Rhone Group LLC.



**Bharat Dhirajlal Shah | Independent Director**  
He is the Chairman of HDFC Securities. He is the co-founder of HDFC Bank, and he joined the bank in 1994 as an Executive Director on its board. He has held several lead roles at the bank for 12 years. He serves on the board of various companies including 3M India, Exide Industries etc.



**Ramachandra Kasargod Kamath | Nominee Director**  
He is a former Chairman & MD of PNB for 5 years. He was an ED at Bank of India for over 2 years and the Chairman & MD at Allahabad Bank for over 1 year. He has also held the post of Chairman of the Indian Banks Association for 2 years. He also serves as a BoD of Aavas Financiers and Centrum Capital.



**Abanti Mitra | Independent Director**  
She has previously worked as an executive with Astra Marine Pvt. Ltd. for one year, a management executive at Micro-Credit Ratings International Ltd. for two years, and a manager with ICICI Bank for three years. She also serves as a BoD of Development Equities Pvt. Ltd. and Positron Consulting Services Pvt. Ltd.



**Darius Dinshaw Pandole | Nominee Director, JM Financial Products Limited**  
He is the MD & CEO – PE and Equity AIFs at JM Financial Ltd. Prior to this, he was a partner at New Silk Route Advisors and served as an ED at IDFC Asset Management Company Ltd. He also serves on the BoD of JM Financial Asset Management, Fairchem Speciality and Mahindra Logistics.

# Strengthened Senior Management Team



**Mr. Satish Kottakota**  
Chief Financial Officer

- Satish joins us with over 20 years of finance and accounting experience across industries
- He has previously worked with Call Health Services (served as CFO), HSBC Global, Sutherland Global, Coca Cola and ICICI Bank
- Over the years he has received several awards and accolades including, winner of 'CFO 100' award by "CFOINDIA" and winner of 'Change Initiator of the Year' by "CFO Connect"
- He is a certified Chartered Accountant (AIR 48) and completed his graduation in commerce from Andhra University



**Mr. Amit Ranjan Biswal**  
Chief Business Officer

- Amit joins us with over 15 years of experience in the microfinance industry
- He comes with extensive experience of managing geographically diversified retail loan portfolio across the country through various business cycles
- He has previously worked with Spandana for 7 years from 2010 to 2017
- Prior microfinance work experience includes Swarna Pragati Housing Microfinance (served as CEO), Sahayata Microfinance, Adhikar Microfinance and Bharat Financial Inclusion
- He is a science graduate and holds an executive PGPM from IIM Lucknow

# Historical Profit & Loss Statement

Particulars (Rs. Crs.)	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17
Interest Income	1,169	998	573	371
Net gain on fair value changes	37	15	4	4
Commission Income	219	27	4	2
Others	11	4	6	1
Total Revenue from operations	1,435	1,043	587	377
Other income	34	5	0	2
<b>Total Income</b>	<b>1,470</b>	<b>1,049</b>	<b>588</b>	<b>379</b>
Finance cost	356	358	232	149
Impairment on financial instruments & others	274*	45	-35	98
Employee benefit expenses	171	131	76	58
Depreciation and amortization expense	9	7	6	8
Other expenses	42	34	27	29
Total Expenses	851	575	305	344
Profit before exceptional items and tax	<b>618</b>	<b>473</b>	283	35
Exceptional items	0	0	0	11
<b>Profit before tax</b>	<b>618</b>	<b>473</b>	<b>283</b>	<b>46</b>
Income tax expense	267	162	95	-398
<b>Profit for the period</b>	<b>352</b>	<b>312</b>	<b>188</b>	<b>443</b>

\* Provision & write-off towards COVID-19 and others of Rs. 129 crs

# Historical Balance Sheet



ASSETS (Rs. Crs.)	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
<b>Financial Assets</b>				
Cash and cash equivalents	60	149	105	290
Bank Balances other than cash and cash equivalents	198	203	103	2
Trade Receivables	22	4	3	2
Loan Portfolio	4,852	4,268	3,090	1,195
Investments	488	0	0	0
Other financial assets	291	60	66	2
<b>Total Financial Assets</b>	<b>5,910</b>	<b>4,684</b>	<b>3,366</b>	<b>1,490</b>
<b>Non-Financial Assets</b>				
Current tax assets (net)	15	8	4	5
Deferred tax assets (net)	7	200	384	422
Property, Plant and Equipment	15	7	6	7
Intangible assets	1	2	3	2
Goodwill	17	17	-	-
Other non-financial assets	11	13	2	3
<b>Total Non-Financial Assets</b>	<b>68</b>	<b>248</b>	<b>398</b>	<b>438</b>
<b>Total Assets</b>	<b>5,977</b>	<b>4,932</b>	<b>3,764</b>	<b>1,929</b>

LIABILITIES & EQUITY (Rs. Crs.)	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
<b>Financial Liabilities</b>				
Debt Securities	778	1,372	1,015	-
Borrowings (Other than Debt Securities)	2,227	1,576	1,297	933
Subordinated Liabilities	20	20	20	1
Other Financial liabilities	227	45	15	26
<b>Total Financial Liabilities</b>	<b>3,252</b>	<b>3,012</b>	<b>2,346</b>	<b>959</b>
<b>Non-Financial Liabilities</b>				
Current Tax Liabilities (net)	65	6	9	24
Provisions	3	0	0	1
Other Non-Financial liabilities	30	23	18	18
<b>Total Non-Financial Liabilities</b>	<b>98</b>	<b>29</b>	<b>28</b>	<b>42</b>
<b>Equity</b>				
Equity Share Capital	64	60	30	28
Other Equity	2,562	1,830	1,361	899
Equity attributable to shareholders of the company	<b>2,626</b>	<b>1,889</b>	1,391	-
Non-Controlling Interest	1	1	-	-
<b>Total Equity</b>	<b>2,627</b>	<b>1,890</b>	<b>1,391</b>	<b>928</b>
<b>Total Liabilities and Equity</b>	<b>5,977</b>	<b>4,932</b>	<b>3,764</b>	<b>1,929</b>

# Glossary



Sr. No.	Particulars	Formula
1	Networth	Shareholders Fund + Other Equity excluding Non controlling interest
2	Capital Adequacy	Tier I ratio + Tier II ratio
3	Leverage	Closing On Balance sheet Borrowings / Closing Net worth
4	Marginal Cost of Borrowing	(Borrowings availed during the period * interest rate + processing fees and other charges) / Borrowings availed during the period
5	Cost to Income Ratio	(Employee benefit expenses + Depreciation and amortization expense + Other Expenses) / (Total Income - Finance Cost)
6	Assets Under Management (AUM)	Loan Portfolio including portfolio assigned and excluding Old AP Portfolio
7	RoA (%)	Profit After Tax / Quarterly Average AUM (Annualised)
8	RoE (%)	Profit After Tax / Quarterly Average Net worth (Annualised)
9	Yield (%)	(Interest income on the loan portfolio + interest income on derecognised loan portfolio passed on to assignees + retained interest income on derecognised loan portfolio) / Quarterly Average AUM (Annualised)
10	Cost of Borrowings (%)	(Finance Cost - Interest on Lease Liability) / Quarterly Average Borrowings (Annualised)
11	Net Interest Income (NII)	(Interest income on the loan portfolio + retained interest income on derecognised loan portfolio) - (Finance Cost - Interest on Lease Liability)
12	NIM (%)	NII / Quarterly Average AUM (Annualised)
13	Opex to AUM Ratio	(Employee benefit expenses + Depreciation and amortization expense + Other Expenses) / Quarterly Average AUM (Annualised)

# Contact Information



SPANDANA

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**CIN: L65929TG2003PLC040648**

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# THANK YOU

