



Ref: SSFL/Stock Exchange/2021-22/087

Date: February 14, 2022

To
BSE Limited,
Department of Corporate Services
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai - 400001
Scrip Code: 542759

To
National Stock Exchange of India Limited,
Listing Department
Exchange Plaza, C-1, Block G
BandraKurla Complex, Bandra (E)
Mumbai - 400051
Symbol: SPANDANA

Dear Sir/Madam,

Sub: Outcome of the Board Meeting of the Company held on Monday, February 14, 2022.

Ref: Intimation dated February 07, 2022 and February 09, 2022 - Notice of Board Meeting pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

Pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), we wish to inform that the Board of Directors at their meeting held on Monday, February 14, 2022, through Audio-Visual Electronic Communication means has *inter-alia* considered and approved the following:

1. The unaudited standalone and consolidated financial results of the Company for the quarter and nine months ended December 31, 2021 and took note of the limited review reports thereon, submitted by Statutory Auditor of the Company i.e., Walker Chandiook & Co. LLP, Chartered Accountants;
2. **Issue of equity shares and warrants of the Company by way of Preferential Allotment**
Issuance of **(1.)** up to 15,25,786 (Fifteen Lakh Twenty-five Thousand Seven Hundred and Eighty-six only) equity shares of face value of Rs. 10/- each ("**Equity Shares**") to **Valiant Mauritius Partners Limited, Valiant India Opportunities Limited, Valiant Mauritius Partners Offshore Limited** and **(2.)** up to 31,60,556 (Thirty-one Lakh Sixty Thousand Five Hundred and Fifty-six only) Equity Shares and up to 18,52,739 (Eighteen Lakh Fifty-two Thousand Seven Hundred and Thirty-nine only) warrants convertible into Equity Shares to **Kedaara Capital Fund III LLP**, a promoter group entity, in each case, on a preferential basis (together the "**Preferential Issue**") in accordance with Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"), as amended, and other applicable laws, at a price of Rs. 458.78/- (Four Hundred and Fifty-Eight Rupees and Seventy-Eight Paise Only) per equity which includes a premium of INR 448.78 (Indian Rupees Four Hundred and Forty-eight and Seventy-eight paise only) per Equity Share, aggregating to 65,39,081 (Sixty-five Lakh Thirty-nine Thousand and Eighty-one only) equity shares and warrants, subject to the approval of the Members of the Company and such regulatory/ statutory authorities as may be applicable.

Spandana Sphoorty Financial Limited
CIN - L65929TG2003PLC040648

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contact@spandanaspfoorty.com, www.spandanaspfoorty.com



The relevant date, in terms of provision of SEBI ICDR Regulations for determining the floor price of the Preferential Issue, is February 14, 2022.

3. **Approval for issue of Notice of Postal Ballot to the Members**

The Board has also approved the issuance of a postal ballot notice pursuant to Section 110 of the Companies Act, 2013, seeking approval of Members of the Company for issue of equity shares and warrants by way of preferential Allotment.

Further, please find enclosed herewith the following:

1. The unaudited standalone and consolidated financial results of the Company for the quarter and nine months ended December 31, 2021 along with the limited review reports of the statutory auditors of the Company, Walker Chandio & Co. LLP, Chartered Accountants;
2. Disclosure pursuant to Regulation 52(4) of the SEBI LODR Regulations;
3. Statement pursuant to Regulation 52(7) of the SEBI LODR Regulations.
4. Information pursuant to Regulation 30 of the SEBI LODR Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.
5. Disclosures pursuant to Regulation 54(2) of the SEBI LODR Regulations;

The meeting commenced at 2.30 pm and concluded at 6:00 pm.

Kindly take the above on record.

Thank you.

Yours sincerely,

For Spandana Sphoorty Financial Limited

Ramesh Periasamy
Company Secretary and Compliance Officer

Encl. as above

Walker Chandniok & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Spandana Sphoorty Financial Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Spandana Sphoorty Financial Limited** ('the Company') for the quarter ended **31 December 2021** and the year to date results for the period 1 April 2021 to 31 December 2021, being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. As detailed in Note 3 to the Statement, as of the date of our report, the management does not have access to the underlying financial accounting IT application prior to September 30, 2021, wherein the books of accounts as required under Section 128 of the Companies Act, 2013 were maintained. Consequently, we were unable to perform certain audit procedures to obtain evidence regarding the opening balances in accordance with SA 510 - Initial Audit Engagements - Opening Balances. Further, subsequent to the loss of access to the books of accounts maintained by the Company, the management has implemented a new IT system including a loan management system during the current quarter and has constructed the books of accounts considering the reviewed balances as at the close of business on 30 September 2021. Management is in the process of strengthening the general controls around the newly implemented IT system along with the validation of data collected from branches as well as certain information generated by this IT system., Pending completion of ongoing reconciliation of balances, and comprehensive evaluation of the newly implemented IT system, along with the implications of non-compliance with the requirements of the Act with respect of IT disruptions regarding maintenance of books of accounts prior to 30 September 2021, as at 31 December 2021, we are unable to comment on adjustments, if any, required to the accompanying Statement.

Spandana Sphoorty Financial Limited
Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

5. As explained in Note 3 to the Statement, the management is in the process of undertaking a comprehensive review including review of internal controls over information technology assets including data backups, vendor selection process, compliance with laws and regulations with respect to related party transactions, amongst others. Pending conclusion of the same, we are unable to determine the consequential effects of such review, if any, on the accompanying Statement.
6. Based on our review conducted as above except for the possible effects of the matters described in paragraphs 4 and 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw attention to Note 5 to the accompanying Statement, which describes the uncertainty relating to the effects of Covid-19 pandemic on the Company's operations and the impact on the expected credit loss recognized towards the loan assets outstanding as at 31 December 2021, the extent of which is significantly dependent upon future developments as they evolve. Our conclusion on the Statement is not modified in respect of this matter.
8. The review of standalone unaudited quarterly and year-to-date financial results for the period ended 30 September 2021, included in the Statement was carried out and reported by S. R. Batliboi & Co. LLP who has expressed modified conclusion vide their review report dated 05 January 2022, whose review report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.
9. The review of standalone unaudited quarterly and year-to-date financial results for the period ended 31 December 2020 and audit of standalone financial results for the quarter and year ended 31 March 2021 included in the Statement was carried out and reported by S. R. Batliboi & Co. LLP who has expressed unmodified conclusion vide their review report dated 9 February 2021 and unmodified opinion vide their audit report dated 22 May 2021, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

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GUJRAL

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Date: 2022.02.14 17:28:07
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Manish Gujral
Partner
Membership No:105117

UDIN:22105117ACBMGO9544

Place: Mumbai
Date: 14 February 2022



SPANDANA SPHOORTY FINANCIAL LIMITED							
Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2021							
Rs. in Million							
Sr.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from Operations						
(a)	Interest Income	3,101.66	3,276.52	3,223.79	10,137.55	9,357.10	13,258.78
(b)	Commission and Incentive Income	-	-	-	-	-	89.12
(c)	Net gain on fair value changes	100.64	311.06	(3.96)	698.30	387.91	751.14
(d)	Others	74.90	136.93	50.91	295.81	91.96	330.01
I	Total revenue from operations	3,277.20	3,724.51	3,270.74	11,131.66	9,836.97	14,429.05
II	Other income	29.54	1.41	62.48	35.87	154.37	218.41
III	Total income (I+II)	3,306.74	3,725.92	3,333.22	11,167.53	9,991.34	14,647.46
	Expenses						
(a)	Finance cost	1,315.95	1,432.21	1,133.85	4,122.38	2,818.66	4,171.62
(b)	Net loss on fair value changes	-	-	-	-	-	27.44
(c)	Impairment on financial instruments and other provisions	639.30	2,289.65	1,946.17	4,452.75	4,279.62	6,398.75
(d)	Employee benefits expense	575.72	533.38	426.23	1,554.73	1,241.78	1,663.57
(e)	Depreciation and amortization expense	23.24	12.18	19.66	59.47	50.72	74.85
(f)	Other expenses	226.61	178.35	185.23	557.80	390.65	534.89
IV	Total expenses	2,780.82	4,445.77	3,711.14	10,747.13	8,781.43	12,871.12
V	Profit/(loss) before tax (III-IV)	525.92	(719.85)	(377.92)	420.40	1,209.91	1,776.34
	Tax expense:						
	Current tax	39.18	426.00	22.19	982.35	1,146.69	1,362.16
	Taxes of prior period	0.00	17.05	-	17.05	-	-
	Deferred tax	89.45	(574.12)	(96.50)	(862.69)	(810.19)	(875.64)
VI	Income tax expense	128.63	(131.07)	(74.31)	136.71	336.50	486.52
VII	Profit for the period / year (V-VI)	397.29	(588.78)	(303.61)	283.69	873.41	1,289.82
VIII	Other Comprehensive Income						
(a)	Items that will not be reclassified subsequently to profit or loss						
	1. Re-measurement gains/(losses) on defined benefit plans	3.00	(1.29)	5.98	2.95	21.10	20.06
	2. Income tax effect	(0.75)	0.32	(1.51)	(0.74)	(5.31)	(5.05)
(b)	Items that will be reclassified subsequently to profit or loss						
	1. Fair Value (Loss) / Gain on loans	(1,046.37)	974.04	184.90	(875.82)	86.75	(420.38)
	2. Income tax effect	263.35	(245.14)	(46.53)	220.43	(21.83)	105.80
	Other Comprehensive income (VIII = a+b)	(780.77)	727.93	142.84	(653.18)	80.71	(299.57)
IX	Total comprehensive income for the period / year (VII+VIII)	(383.48)	139.15	(160.77)	(369.49)	954.12	990.25
X	Earnings per share (equity share, par value of Rs.10 each)						
	Computed on the basis of total profit for the period/year						
	Basic* (Rs.) (EPS)	6.17	(9.15)	(4.72)	4.40	13.58	20.05
	Diluted* (Rs.) (DPS)	6.15	(9.15)#	(4.72)#	4.39	13.53	19.98

* EPS and DPS for the quarters ended December 31,2021, September 30,2021, December 31, 2020 and for the nine months ended December 31,2021 and December 31,2020 are not annualised.

Since Diluted EPS are anti dilutive, Hence the disclosure is restricted to Basic EPS.



SPANDANA SPOHOORTY FINANCIAL LIMITED

(CIN: L65929TG2003PLC040648)

Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2021

Notes:

- These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- These financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February, 14, 2022 and subjected to a limited review by the statutory auditors of the Company, in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

- The Company has undergone recent leadership changes whereby Ms. Padmaja Gangireddy, founder and erstwhile Managing Director, resigned on November 2, 2021. The Board immediately re-constituted a Management Committee constituting of the longest serving Directors of the Company to provide strategic direction to the Company. In addition, interim Chief Executive Officer (CEO) and Chief Financial Officer (CFO) were appointed to manage day-to-day operations. They are supported by incumbent senior team members of the Company, including the Chief Business Officer, Chief Risk Officer and Company Secretary.

Shortly prior to her resignation and subsequent to September 30, 2021, the erstwhile MD Ms. Reddy had transferred certain IT systems of the Company to a new IT vendor and outsourced its maintenance to that vendor causing certain disruptions in the IT operations of the Company and eventually loss of access to the historical data and books of accounts.

As a result, the Company has created a parallel IT environment and implemented a new IT application along with the loan origination system with fully automated workflow. The balances as of September 30, 2021, backed with relevant internal data back-up and necessary reconciliations, are updated in the new IT application along with all the transactions for the quarter ended December 31, 2021. The recording of transactions from October 1, 2021 till date has continued as per normal course of the business.

Further, the Company has recently onboarded a new Chief Technology Officer, who was previously heading the Digital and Data Strategy division at one of the large banks in India, and will undertake a comprehensive evaluation of the new IT application implemented. The IT application has been provided and will be managed by a third-party IT services provider with significant experience across the microfinance industry.

This augmented technology team will independently evaluate the workflow of each sub-process of the Loan Management System and Loan Origination System. This would involve testing on inputs including maker-checker and automated controls for validation of inputs, and review of sign-offs. Additionally, the new system functions entirely on an industry leading cloud, ensuring full data security and redundancy. Furthermore, the business teams are in the process of validating the outputs from the IT systems with actual physical loan-card balances in the field. The full process will be documented and independently reviewed by an independent third-party appointed by the Board, in addition to undertaking a comprehensive review of design and operating effectiveness of internal controls including review of internal controls over information technology assets including data backups, vendor selection process, compliance with laws and regulations with respect to related party transactions, amongst others. Management believes that the final validations, including comprehensive review of the IT application and internal controls, will not result in any material discrepancies, requiring any adjustment to these financial results.

In parallel, the Company is also in the process of undertaking various other steps towards the retrieval of historical data, including but not limited to an amicable settlement agreement between all parties.

While the current process followed by the management for preparation / maintenance of books of account, results in departure with certain requirements of Section 128 the Companies Act, 2013, on the basis of the steps initiated, as detailed above, the management does not believe that this will have any significant impact on the accompanying financial results.

- As mentioned above, the Managing Director of the Company resigned on November 2, 2021 with immediate effect, resulting in a change in the management of the Company. Such change in management and other factors such as increase in portfolio at risk (PAR) and NPA ratios due to higher delinquencies caused by COVID-19 pandemic have resulted in a breach of some of the covenants relating to borrowings. The Company has been regularly servicing all its borrowings and has sought forbearance/ waiver from the lenders with respect to non-compliance with the covenants, wherever applicable.

Based on the discussions with the lenders, the Company has no reason to believe that any adverse action, such as levy of higher interest or a recall of the facility, will be invoked by the lenders on account of the above breaches; and as of the date of these financial results, none of the lenders have intimated about any remedial action. Accordingly, no adjustment is required in these financial results.

- The COVID-19 pandemic has continued to cause a significant disruption of the economic activities in the country. During the financial year ended March 31, 2021, the Central Government had imposed nationwide lockdown which impacted Company's operations including lending and collection activities. Subsequently, the lockdown was lifted by the Government in a phased manner. The second wave of the pandemic emerged in April and May 2021 leading to the reimposition of localized lockdowns in several parts of the country which were gradually eased from June 2021, resulting in improvement in economic activity. During the quarter, the Company offered resolution plan to its customers pursuant to Reserve Bank of India's guidelines on 'Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses' dated May 5, 2021 (refer note 6 for further details).

In assessing the impairment allowance for loan portfolio, the Company has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Given the unique nature and scale of this pandemic, its full extent of impact on the Company's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Company's responses thereto. Accordingly, the management's estimate of impairment losses based on various variables and assumptions could result in actual credit loss being different than that being estimated.

- Disclosures pursuant to RBI Notification - RBI/2021-22/51 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021

(₹ In Crore except number of accounts)

Description	Individual Borrowers		Small Business
	Personal Loans*	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	449,411	-	-
(B) Number of accounts where resolution plan has been implemented under this window	431,191	-	-
(C) Exposure to accounts mentioned at (B) before implementation of the plan#	1,227.82	-	-
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	57.02	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	\$	-	-

Note 1: Loans transferred through securitisation, not fulfilling the de-recognition criteria under Ind AS 109, have been considered in the above disclosure.

Note 2: Loans transferred by way of direct assignment, which have been de-recognised as per Ind AS 109, have not been considered in the above disclosure.

Note 3: Additional funding sanctioned represents amounts disbursed to such customers from between July 1, 2021 till the date of restructuring of the loans.

Note 4: Increase in provision on account of implementation of resolution plan represents difference between ECL on such loans as at Mar-21 and Dec-21.

* Includes joint liability group loan (JLG) and individual Loan (IL)

Represents Principal Outstanding of loans restructured as at the beginning of the month in which restructuring was implemented.

\$ The Management has made the required provision in accordance with the expected credit loss (ECL) model as per Ind AS 109 as approved by board.

The Company has not restructured any loan accounts under RBI's Resolution Framework 1.0 dated August 6, 2020.



SPANDANA SPHOORTY FINANCIAL LIMITED

(CIN: L65929TG2003PLC040648)

Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2021

Notes:

- 7 The Company operates in a single business segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment for the purpose of Ind AS 108 on 'Operating Segments'. The Company operates in a single geographical segment i.e. domestic.
- 8 Pursuant to the Reserve Bank of India's ("RBI") Guidelines for Appointment of Statutory Central Auditors (SCAs) / Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 (the "RBI Guidelines") and in line with the specific instructions received from the RBI, the predecessor auditor's had resigned on 28 January 2022, after completion of limited review on the financial results of the Company for the quarter and half year ended September 30, 2021. Such resignation and subsequent appointment of new statutory auditors, being contrary to the provisions of para 6(A) of SEBI guidelines on "Resignation of statutory auditors from listed entities and their material subsidiaries" issued vide circular no. CIR/CFD/CMD1/114/2019 dated October 18, 2019, the Company has submitted application dated 3 February 2022 with SEBI, seeking settlement in this matter and expects to receive the regulatory forbearance from SEBI in due course.
- 9 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 10 Pursuant to Regulation 54 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has secured by first pari passu mortgage of immovable property and exclusive charge on the receivables of the Company and maintained requisite asset cover of more than 100% of the outstanding dues on all the secured listed Non-Convertible Debentures.
- 11 Disclosures in compliance with Regulation 52(4) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015 for the quarter and nine months ended December 31, 2021 is attached as Annexure-1
- 12 Pursuant to the RBI circular dated November 12, 2021-"Prudential norms on Income Recognition, Asset Classification and Provisioning ('IRAC') pertaining to Advances-Clarifications", the Company has changed its NPA definition to comply with the norms/changes for regulatory reporting, as applicable. This change does not have a material impact on the financial results for the quarter/nine months ended December 31, 2021.
- 13 Details of loans transferred/acquired during the quarter ended December 31, 2021 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
 - (i) The company has not transferred any non-performing assets(NPAs).
 - (ii) The Company has not acquired any loans through assignment.
 - (iii) The Company has not acquired any stressed loan.
- 14 Previous year / period figures have been regrouped / rearranged wherever necessary to conform to current period's classification.

For and on behalf of the Board of Directors of
SPANDANA SPHOORTY FINANCIAL LIMITED

**KARTIKEYA
DHRUV KAJI**

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DHRUV KAJI
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**Kartikeya Dhruv Kaji
Director
DIN: 07641723**

**Place: Mumbai
Date: February 14, 2022**



SPANDANA SPOHOORTY FINANCIAL LIMITED

(CIN: L65929TG2003PLC040648)

Annexure-1

(Rupees in millions unless otherwise stated)

Disclosures required by Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine months ended December 31, 2021*

S.No	Particulars	Quarter ended	Nine Months Ended
		31.12.2021	31.12.2021
1	Debt-Equity Ratio (Note-2)	1.52	1.52
2	Debt service coverage ratio	NA	NA
3	Interest service coverage ratio	NA	NA
4	Capital Redemption Reserve	1,527	1,527
5	Debenture Redemption Reserve	NA	NA
6	Networth (Rs in Millions) (Note-3)	26,875	26,875
7	Net Profit after tax	397.29	283.69
8	Earnings Per Share (Not annualised)		
i	Basic (₹)	6.17	4.40
ii	Diluted (₹)	6.15	4.39
9	Current ratio	NA	NA
10	Long term debt to working capital	NA	NA
11	Bad debts to Account receivable ratio	NA	NA
12	Current liability ratio	NA	NA
13	Total debts to total assets (Note-4)	0.59	0.59
14	Debtors turnover	NA	NA
15	Inventory turnover	NA	NA
16	Operating Margin (%)	NA	NA
17	Net profit margin (%) (Note-5)	12.01%	2.54%
18	Sector specific equivalent ratios:		
i	Stage III loan assets to Gross loan assets (%) (Note-6)	5.65%	5.65%
ii	Net Stage III loan assets to Gross loan assets (%) (Note-7)	2.83%	2.83%
iii	Capital Adequacy ratio (Note-8)	46.77%	46.77%
iv	Provision coverage ratio (Note-9)	49.97%	49.97%

* The information furnished is based on Standalone Financial Results.

Notes:

- The figures/ratios which are not applicable to the Company, being an NBFC, are marked as "NA".
- Debt-Equity ratio = {Debt Securities+Borrowings(other than debt securities)+Subordinated liabilities}/ {Equity share capital+ Other equity}
- Net Worth = Equity share capital + Other Equity
- Total debts to total assets = {Debt Securities+Borrowings(other than debt securities)+Subordinated liabilities} / Total assets
- Net profit margin (%) = Net profit after tax / Total Income
- Stage III loan assets to Gross loan assets = Stage III loan assets / Gross loan assets.
- Net Stage III loan assets to Gross loan assets = {Stage III loan assets-Expected credit loss provision for stage III loan assets} / Gross loan assets.
- Capital Adequacy Ratio has been computed as per RBI guidelines.
- Provision Coverage Ratio = Expected credit loss provision for Stage III loan assets / Stage III loan assets.

Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Spandana Sphoorty Financial Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **Spandana Sphoorty Financial Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended **31 December 2021** and the consolidated year to date results for the period 01 April 2021 to 31 December 2021, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

Spandana Sphoorty Financial Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

4. As detailed in Note 3 to the Statement, as of the date of our report, the management of the Holding Company does not have access to the underlying financial accounting IT application prior to September 30, 2021, wherein the books of accounts as required under Section 128 of the Companies Act, 2013 were maintained. Consequently, we were unable to perform certain audit procedures to obtain evidence regarding the opening balances in accordance with SA 510 - Initial Audit Engagements - Opening Balances. Further, subsequent to the loss of access to the books of accounts maintained by the Holding Company, the management has implemented a new IT system including a loan management system during the current quarter and has constructed the books of accounts considering the reviewed balances as at the close of business on 30 September 2021. Management of the Holding Company is in the process of strengthening the general controls around the newly implemented IT system along with the validation of data collected from branches as well as certain information generated by this IT system. Pending completion of ongoing reconciliation of balances, and comprehensive evaluation of the newly implemented IT system, along with the implications of non-compliance with the requirements of the Act with respect of IT disruptions regarding maintenance of books of accounts prior to 30 September 2021, as at 31 December 2021, we are unable to comment on adjustments, if any, required to the accompanying Statement.
5. As explained in Note 3 to the Statement, the management of the Holding Company is in the process of undertaking a comprehensive review including review of internal controls over information technology assets including data backups, vendor selection process, compliance with laws and regulations with respect to related party transactions, amongst others. Pending conclusion of the same, we are unable to determine the consequential effects of such review, if any, on the accompanying Statement.
6. Note 3 to the accompanying Statement, pertaining to matter on which following qualification has been included in the review report dated 14 February 2022 on the financial results of Criss Financial Limited, a subsidiary of the Company, issued by an independent firm of Chartered Accountants, which is relevant to our conclusion on the consolidated financial results of the Group, and reproduced by us as under:

“It was mentioned in our last report that there was a disruption to the IT assets (including books of accounts maintained in the digital mode) of the company. Company has since compiled information from various sources, reconstructed the data, using the same for carrying out business operations and prepared the accompanied financial statement. There are a few validation procedures pending and management believes that the final validation will not result material adjustments to the accompanied financial statement. Pending such validation procedures, accompanied financial statement is subject to adjustments if any.”
7. Based on our review conducted as above except for the possible effects of the matters described in paragraphs 4, 5 and 6 above and upon consideration of the review report of the other auditors referred to in paragraph 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
8. (a) We draw attention to Note 6 to the accompanying Statement, which describes the uncertainty relating to the effects of Covid-19 pandemic on the Group's operations and the impact on the expected credit loss recognized towards the loan assets outstanding as at 31 December 2021, the extent of which is significantly dependent upon future developments as they evolve.

Spandana Sphoorty Financial Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

(b) Note 4 to the accompanying Statement, pertaining to matter on which following emphasis of matter has been included in the review report dated 14 February 2022 on the financial results of Criss Financial Limited, a subsidiary of the Company, issued by an independent firm of Chartered Accountants, which is relevant to our conclusion on the consolidated financial results of the Group, and reproduced by us as under:

"As disclosed in Note no.4 of the financial results, during the quarter operational control of all gold loan branches having assets of Rs.86.53 crores (including gold loan portfolio but excluding interest) as of November 03, 2021 of the Company was taken over by Spandana Mutual Benefit Trust ("SMBT"), an entity controlled by the erstwhile Managing Director of the Company, without any formal arrangement with the Company. Consequently, the Company has reclassified the said assets as amounts recoverable from SMBT. The Company has received Rs.51.14 Crores from SMBT till February 12, 2022, and the receivable has come down to Rs 35.39 Crores excluding interest on the said receivables. We were informed that the Company has initiated the process of recovering the balance amount along with interest. Hence the management is of the view that the said amount will be realised and there is no provision made against the same. Our conclusion is not modified in respect of above matter."

Our conclusion on the Statement is not modified in respect of these matters.

9. We did not review the interim financial results of a subsidiary included in the Statement, whose financial results reflects total revenues of ₹225.34 million and ₹739.86 million, total net profit after tax of ₹53.56 million and ₹128.09 million, total comprehensive income of ₹53.82 million and ₹128.08 million, for the quarter and year-to-date period ended on 31 December 2021, respectively, as considered in the Statement. These interim financial results have been reviewed by other auditor whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the review report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

10. The Statement includes the interim financial information of a subsidiary, which has not been reviewed by their auditors, whose interim financial results reflects total revenues of ₹0.20 million and ₹0.56 million, net profit after tax of ₹0.13 million and ₹0.41 million, total comprehensive income of ₹0.13 million and ₹0.41 million for the quarter and year-to-date period ended 31 December 2021 respectively, as considered in the Statement, based on their interim financial information, which have not been reviewed by their auditors, and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial information certified by the Board of Directors.

11. The review of unaudited consolidated quarterly and year-to-date financial results for the period ended 30 September 2021 included in the Statement was carried out and reported by S. R. Batliboi & Co. LLP who have expressed modified conclusion vide their review report dated 05 January 2022 respectively, whose review report has been furnished to us by the management and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

Spandana Sphoorty Financial Limited
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

12. The review of unaudited consolidated quarterly and year-to-date financial results for the period ended 31 December 2020 and audit of consolidated financial results for the quarter and year ended 31 March 2021 included in the Statement was carried out and reported by S. R. Batliboi & Co. LLP who have expressed unmodified conclusion vide their review report dated 9 February 2021 and unmodified opinion vide their audit report dated 22 May 2021, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

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Date: 2022.02.14 17:28:41
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Manish Gujral
Partner
Membership No:105117

UDIN:22105117ACBOIL5730

Place: Mumbai
Date: 14 February 2022

Annexure 1

List of subsidiaries included in the Statement

1. Criss Financial Limited (formerly known as "Criss Financial Holdings Limited")
2. Caspian Financial Services Limited

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SPANDANA SPOHOORTY FINANCIAL LIMITED							
Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2021							
Sr.No.	Particulars	Quarter ended			Nine months ended		Rs. in Million
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	Year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31-Mar-21 (Audited)
	Revenue from operations						
(a)	Interest income	3,285.42	3,504.64	3,326.22	10,757.15	9,597.30	13,627.10
(b)	Commission and incentive income	-	-	5.47	-	9.15	97.00
(c)	Net gain on fair value changes	100.84	310.63	(3.61)	698.86	388.53	760.51
(d)	Others	75.10	141.37	50.99	303.68	92.09	341.65
I	Total revenue from operations	3,461.36	3,956.64	3,379.07	11,759.69	10,087.07	14,826.26
II	Other income	37.36	5.27	63.50	49.93	166.14	229.88
III	Total income (I+II)	3,498.72	3,961.91	3,442.57	11,809.62	10,253.21	15,056.14
	Expenses						
(a)	Finance cost	1,390.49	1,497.87	1,159.64	4,322.11	2,850.31	4,231.70
(b)	Net loss on fair value changes	(0.11)	(0.37)	-	0.82	-	27.44
(c)	Impairment on financial instruments and other provisions	643.05	2,413.63	1,999.38	4,606.04	4,335.33	6,451.40
(d)	Employee benefits expense	612.62	561.57	438.49	1,643.18	1,274.57	1,715.36
(e)	Depreciation and amortization expense	24.43	14.65	19.89	64.73	51.64	76.23
(f)	Other expenses	233.53	189.59	190.78	582.24	408.65	549.56
IV	Total expenses	2,904.01	4,676.94	3,808.18	11,219.12	8,920.50	13,051.69
V	Profit/(loss) before tax (III-IV)	594.71	(715.03)	(365.61)	590.50	1,332.71	2,004.45
	Tax expense:						
	Current tax	57.21	455.60	32.28	1,056.82	1,185.17	1,425.98
	Taxes of prior period	0.00	17.05	-	17.05	-	-
	Deferred tax	86.53	(600.99)	(100.86)	(895.59)	(814.35)	(876.13)
VI	Income tax expense	143.74	(128.34)	(68.58)	178.28	370.82	549.85
VII	Profit/(loss) after Tax (V-VI)	450.97	(586.69)	(297.03)	412.22	961.89	1,454.60
VIII	Profit attributable to Non controlling interest	0.83	(7.33)	0.16	1.99	2.16	4.17
IX	Profit/loss for the period / year (VII-VIII)	450.14	(579.36)	(297.19)	410.23	959.73	1,450.43
X	Other Comprehensive Income						
(a)	Items that will not be reclassified subsequently to profit or loss						
	1. Re-measurement gains/(losses) on defined benefit plans	3.35	(1.47)	6.27	2.93	21.25	20.31
	2. Income tax effect	(0.84)	0.37	(1.58)	(0.74)	(5.35)	(5.11)
	Subtotal (a)	2.51	(1.10)	4.69	2.19	15.90	15.20
(b)	Items that will be reclassified subsequently to profit or loss						
	1. Fair Value (Loss) / Gain on loans	(1,046.37)	974.03	184.90	(875.82)	86.75	(420.38)
	2. Income tax effect	263.35	(245.14)	(46.53)	220.43	(21.83)	105.80
	Subtotal (b)	(783.02)	728.89	138.37	(655.39)	64.92	(314.58)
	Other Comprehensive income (X = a+b)	(780.51)	727.79	143.06	(653.20)	80.82	(299.39)
XI	Total comprehensive income for the period /year (VII+X)	(329.54)	141.10	(153.97)	(240.98)	1,042.71	1,155.21
XII	Profit/(loss) for the period / year attributable to:						
	Owners of the company	450.14	(579.36)	(297.19)	410.23	959.73	1,450.43
	Non-controlling interests	0.83	(7.33)	0.16	1.99	2.16	4.17
XIII	Total comprehensive income for the period / year attributable to :						
	Owners of the company	(330.37)	148.43	(154.13)	(242.97)	1,040.55	1,151.05
	Non-controlling interests	0.83	(7.33)	0.16	1.99	2.16	4.17
XIV	Earnings per share (equity share, par value of Rs.10 each)						
	Computed on the basis of total profit for the period/year						
	Basic* (Rs.) (EPS)	6.99	(9.01)	(4.62)	6.37	14.92	22.55
	Diluted* (Rs.) (DPS)	6.97	(9.01)#	(4.62)#	6.35	14.87	22.47

* EPS and DPS for the quarters ended December 31,2021, September 30,2021, December 31, 2020 and for the nine months ended December 31,2021 and December 31,2020 are not annualised.

Since Diluted EPS are anti dilutive, Hence the disclosure is restricted to Basic EPS.



SPANDANA SPOHOORTY FINANCIAL LIMITED

Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2021

Notes:

- 1 These consolidated financial results of the Spandana Sphoorty Financial Limited (the 'Holding Company') and its subsidiaries (collectively referred to as the 'Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. These consolidated financial results include results of the following companies:

Name of the Group	% shareholding and voting power of Holding Company	Consolidated as
Caspian Financial Services Limited	100.00%	Subsidiary
Criss Financial Limited	98.45%	Subsidiary

- 2 These consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on February, 14, 2022 and subjected to a limited review by the statutory auditors of the Company, in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 3 The Holding Company has undergone recent leadership changes whereby Ms. Padmaja Gangireddy, founder and erstwhile Managing Director, resigned on November 2, 2021. The Holding Company's Board of Directors immediately re-constituted the Management Committee constituting of the longest serving Directors of the Holding Company to provide strategic direction to the Holding Company. In addition, interim Chief Executive Officer (CEO) and Chief Financial Officer (CFO) were appointed to manage day-to-day operations. They are supported by incumbent senior team members of the Company, including the Chief Business Officer, Chief Risk Officer and Company Secretary.

Shortly prior to her resignation and subsequent to September 30, 2021, the erstwhile MD Ms. Reddy had transferred certain Information Technology (IT) systems of the Holding Company and its subsidiaries to a new IT vendor and outsourced its maintenance to that vendor causing certain disruptions in the IT operations of the Group and eventually loss of access to the historical data and books of account.

As a result, the Group has created a parallel IT environment and implemented a new IT application along with the loan origination system with fully automated workflow. The balances as of September 30, 2021, backed with relevant internal data back-up and necessary reconciliations, are updated in the new IT application along with all the transactions for the quarter ended December 31, 2021. The recording of transactions from October 1, 2021 till date has continued as per normal course of the business.

Further, the Holding Company has recently onboarded a new Chief Technology Officer (CTO), who was previously heading the Digital and Data Strategy division at one of the large banks in India, and will undertake a comprehensive evaluation of the new IT application implemented. The IT application has been provided and will be managed by a third-party IT services provider with significant experience across the microfinance industry.

This augmented technology team will independently evaluate the workflow of each sub-process of the Loan Management System and Loan Origination System. This would involve testing on inputs including maker-checker and automated controls for validation of inputs, and review of sign-offs. Additionally, the new system functions entirely on an industry leading cloud, ensuring full data security and redundancy. Furthermore, the business teams are in the process of validating the outputs from the IT systems with actual physical loan-card balances in the field. The full process will be documented and independently reviewed by an independent third-party appointed by the Board, in addition to undertaking a comprehensive review of design and operating effectiveness of internal controls including review of internal controls over information technology assets including data backups, vendor selection process, compliance with laws and regulations with respect to related party transactions, amongst others. The Management believes that the final validations, including comprehensive review of the IT application and internal controls, will not result in any material discrepancies, requiring any adjustment to these financial results.

In parallel, the Group is also in the process of undertaking various other steps towards the retrieval of historical data, including but not limited to an amicable settlement agreement between all parties.

While the current process followed by the management for preparation / maintenance of books of account, results in departure with certain requirements of Section 128 the Companies Act, 2013, on the basis of the steps initiated, as detailed above, the management does not believe that this will have any significant impact on the accompanying financial results.

- 4 In respect of the gold loan branches of Criss Financial Limited ("CFL"), Spandana Mutual Benefit Trust ("SMBT") an entity controlled by a Director / former MD, took over the operational control in respect of such branches without any formal arrangement with CFL. The total assets (excluding interest) at these branches amounted to Rs 86.53 crores as of November 03, 2021. Of these, SMBT has remitted various amounts aggregating Rs 51.14 crores and the total assets (excluding interest) has reduced to Rs 35.39 crores as of February 12, 2022. CFL has classified the said assets as amount receivable from SMBT. CFL has initiated the process of recovering the balance amount along with interest, hence the management is of the view that the said amount will be realised and no provision is considered necessary.
- 5 As mentioned above, the Managing Director of the Holding Company resigned on November 2, 2021 with immediate effect, resulting in a change in the management of the Holding Company. Such change in management and other factors such as increase in portfolio at risk (PAR) and NPA ratios due to higher delinquencies caused by COVID-19 pandemic have resulted in a breach of some of the covenants relating to borrowings. The Holding Company has been regularly servicing all its borrowings and has sought forbearance/ waiver from the lenders with respect to non-compliance with the covenants, wherever applicable.

Based on the discussions with the lenders, the Holding Company has no reason to believe that any adverse action, such as levy of higher interest or a recall of the facility, will be invoked by the lenders on account of the above breaches; and as of the date of these consolidated financial results, none of the lenders have intimated about any remedial action. Accordingly, no adjustment is required in these consolidated financial results.

- 6 The COVID-19 pandemic has continued to cause a significant disruption of the economic activities in the country. During the financial year ended March 31, 2021, the Central Government had imposed nationwide lockdown which impacted Group's operations including lending and collection activities. Subsequently, the lockdown was lifted by the Government in a phased manner. The second wave of the pandemic emerged in April and May 2021 leading to the reimposition of localized lockdowns in several parts of the country which were gradually eased from June 2021, resulting in improvement in economic activity. During the quarter, the Holding Company offered resolution plan to its customers pursuant to Reserve Bank of India's guidelines on 'Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses' dated May 5, 2021.

In assessing the impairment allowance for loan portfolio, the Group has considered internal and external sources of information available including indicators of deterioration in the macro-economic factors. Given the unique nature and scale of this pandemic, its full extent of impact on the Group's operations and financial metrics, more specifically on the borrower's ability to service their obligations on a timely basis, will depend on the severity and duration of the pandemic as well as on highly uncertain future developments including governmental and regulatory measures and the Group's responses thereto. Accordingly, the management's estimate of impairment losses based on various variables and assumptions could result in actual credit loss being different than that being estimated.

- 7 The Group operates in a single business segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment for the purpose of Ind AS 108 on 'Operating Segments'. The Group operates in a single geographical segment i.e. domestic.



SPANDANA SPOHOORTY FINANCIAL LIMITED

Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2021

Notes:

- 8 Pursuant to the Reserve Bank of India's ("RBI") Guidelines for Appointment of Statutory Central Auditors (SCAs) / Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 (the "RBI Guidelines") and in line with the specific instructions received from the RBI, the predecessor auditor's of the Holding Company had resigned on 28 January 2022, after completion of limited review on the financial results of the Holding Company for the quarter and half year ended September 30, 2021. Such resignation and subsequent appointment of new statutory auditors for the Holding Company, being contrary to the provisions of para 6(A) of SEBI guidelines on "Resignation of statutory auditors from listed entities and their material subsidiaries" issued vide circular no. CIR/CFD/CMD1/114/2019 dated October 18, 2019, the Holding Company has submitted application dated 3 February 2022 with SEBI, seeking settlement in this matter and expects to receive the regulatory forbearance from SEBI in due course.
- 9 Pursuant to the RBI circular dated November 12, 2021-"Prudential norms on Income Recognition, Asset Classification and Provisioning ('IRAC') pertaining to Advances-Clarifications", the Group has changed its NPA definition to comply with the norms/changes for regulatory reporting, as applicable. This change does not have a material impact on the financial results for the quarter/nine months ended December 31, 2021.
- 10 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 11 Previous year / periods figures have been regrouped / rearranged wherever necessary to conform to current period's classification.

**For and on behalf of the Board of Directors of
SPANDANA SPOHOORTY FINANCIAL LIMITED**

**KARTIKEYA
DHRUV KAJI**

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DHRUV KAJI
Date: 2022.02.14 16:33:37 +05'30'

Kartikeya Dhruv Kaji

Director

DIN: 07641723

Place: Mumbai

Date: February 14, 2022



Declaration under Regulation 52(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to captioned subject, the Company hereby confirms that the proceeds of issue of Non-Convertible Debt securities have been fully utilized for the purpose/object as stated in the offer document and there have been no material deviation in utilization of such proceeds as on December 31, 2021.

Kindly take the same on record.

For Spandana Sphoorty Financial Limited

**Ramesh Periasamy
Company Secretary and Compliance Officer**



Disclosures as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

Particulars	Details
(a) Type of securities proposed to be issued	Equity shares of INR 10/- each fully paid up; and Warrants convertible into Equity Shares
(b) Type of issuance	Preferential Allotment under Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable law.
(c) Total number of securities proposed to be issued or the total amount for which the securities will be issued	65,39,081 (Sixty-five Lakh Thirty-nine Thousand and Eighty-one only) securities comprising of 46,86,342 (Forty-Six Lakh Eighty-Six Thousand Three Hundred and Forty-two only) equity shares and 18,52,739 (Eighteen Lakh Fifty-Two Thousand Seven Hundred and Thirty-Nine only) Warrants (convertible into equivalent number of Equity Shares)
Additional details in case of preferential issue:	
(a) Name of the proposed investors	i. Kedaara Capital Fund III LLP, a promoter group entity ii. Valiant Mauritius Partners Limited iii. Valiant India Opportunities Limited iv. Valiant Mauritius Partners Offshore Limited
(b) Post-allotment of securities - outcome of the Subscription, Issue Price/ Allotted Price (In Case of Convertibles), Number of Proposed Investors	Issue Price: Rs.458.78/- (Four Hundred and Fifty-Eight Rupees and Seventy-Eight Paise Only) per Equity Share / Warrant as per the provisions of Regulation 167 SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 Number of Proposed Investors: Four
(c) In case of convertibles - intimation on conversion of securities or on lapse of the tenure of the instrument	Not applicable

Spandana Sphoorty Financial Limited
CIN - L65929TG2003PLC040648

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

Ph: +9140-45474750

contact@spandanasphoorty.com, www.spandanasphoorty.com



Ref: SSFL/Stock Exchange/2021-22/088

Date: February 14, 2022

To
BSE Limited,
Department of Corporate Services
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai - 400001
Scrip Code: 542759

To
National Stock Exchange of India Limited,
Listing Department
Exchange Plaza, C-1, Block G
BandraKurla Complex, Bandra (E)
Mumbai - 400051
Symbol: SPANDANA

Dear Sir/Madam,

Sub: Disclosure under Regulation 54(2)&(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations")

Pursuant to Regulation 54(2)&(3) of LODR Regulations, we wish to submit that the extent and nature of security created, maintained and available with respect to secured listed non-convertible debt securities of the Company as below mentioned:

S. No.	ISIN	Nature of Security	Amount Outstanding as at Dec 31, 2021	Assets Cover as on Dec 31, 2021	Assets Cover as on Dec 31, 2021
			(₹ in Cr)	(₹ in Cr)	
1	INE572J07307	Exclusive charge on Book Receivables	25.47	28.02	1.10x
2	INE572J07117	Exclusive charge on Book Receivables	68.74	68.74	1.00x
3	INE572J07232	Exclusive charge on Book Receivables	70.28	77.31	1.10x
4	INE572J07299	Exclusive charge on Book Receivables	90.10	90.10	1.00x
5	INE572J07257	Exclusive charge on Book Receivables	101.31	121.57	1.20x
6	INE572J07315	Exclusive charge on Book Receivables	89.48	107.37	1.20x
7	INE572J07273	Exclusive charge on Book Receivables	70.52	77.57	1.10x
8	INE572J07125	Exclusive charge on Book Receivables	25.16	27.68	1.10x
9	INE572J07141	Exclusive charge on Book Receivables	0.00*	0.00	-
10	INE572J07265	Exclusive charge on Book Receivables	50.19	55.21	1.10x
11	INE572J07240	Exclusive charge on Book Receivables	84.10	92.51	1.10x
12	INE572J07109	Exclusive charge on Book Receivables	0.00*	0.00	-
13	INE572J07224	Exclusive charge on Book Receivables	32.99	36.29	1.10x

Spandana Sphoorty Financial Limited

CIN - L65929TG2003PLC040648

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

Ph: +9140-45474750

contact@spandanasphoorty.com, www.spandanasphoorty.com



14	INE572J07190	Exclusive charge on Book Receivables	23.79	26.16	1.10x
15	INE572J07208	Exclusive charge on Book Receivables	21.76	23.93	1.10x
16	INE572J07133	Exclusive charge on Book Receivables	87.98	101.17	1.15x
17	INE572J07281	Exclusive charge on Book Receivables	21.55	23.70	1.10x
18	INE572J07323	Exclusive charge on Book Receivables	35.80	39.38	1.10x
19	INE572J07216	Exclusive charge on Book Receivables	102.36	127.95	1.25x
20	INE572J07166	Exclusive charge on Book Receivables	9.20	9.29	1.01x
21	INE572J07174	Exclusive charge on Book Receivables	9.20	9.29	1.01x
22	INE572J07182	Exclusive charge on Book Receivables	9.20	9.29	1.01x
23	INE572J07158	Exclusive charge on Book Receivables	9.30	10.23	1.10x
24	INE572J07331	Exclusive charge on Book Receivables	136.17	149.79	1.10x
25	INE572J07364	Exclusive charge on Book Receivables	118.71	130.58	1.10x
26	INE572J07372	Exclusive charge on Book Receivables	349.12	384.03	1.10x
27	INE572J07380	Exclusive charge on Book Receivables	22.51	24.76	1.10x
28	INE572J07349	Exclusive charge on Book Receivables	19.92	21.91	1.10x
29	INE572J07356	Exclusive charge on Book Receivables	24.90	27.39	1.10x

*Debentures repaid during the Quarter ended December 31,2021

Kindly take the same on record.

For Spandana Sphoorty Financial Limited

**Ramesh Periasamy
Company Secretary and Compliance Officer**