

No. CTL/DEB/21-22/Noting Certificate/483

May 24, 2021

To Whomsoever It May Concern,

**CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Spandana Sphoorty Financial Limited** (“**the Company**”) for the Half Year ended March 31, 2021.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**



For CATALYST TRUSTEESHIP LIMITED  
Authorised Signatory

**Authorised Signatory**

*Encl: Results submitted by Company*





Ref: SSFL/Stock Exchange/2021-22/14  
Date: May 22, 2021

To  
BSE Limited,  
Department of Corporate Services  
P. J. Towers, 25<sup>th</sup> 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 held on Saturday, May 22, 2021.**

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 Saturday, May 22, 2021, through Audio-Visual Electronic Communication means has *inter-alia* considered and approved the following:

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended March 31, 2021 and took note of the Audit Reports thereon, submitted by Statutory Auditor of the Company i.e., S. R. Batliboi & Co. LLP, Chartered Accountants.
2. To offer, issue and allot listed or unlisted, secured or unsecured, Non-Convertible Debentures in one or more series or tranches up to an amount not exceeding ₹4000,00,00,000/- (Indian rupees four thousand crore only) through private placement, in terms of Section 42 read with Section 71 of the Companies Act, 2013 read with relevant rules made there under and the SEBI LODR Regulations, subject to the approval of the Shareholders of the Company.

Further, Please find enclosed herewith the following:

- a) Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended March 31, 2021 along with the Audit Reports by the Statutory Auditors of the Company, S.R. Batliboi & Co. LLP, Chartered Accountants
- b) Declaration under Regulation 33(3)(d) read with Regulation 52(3) of the SEBI LODR Regulations;
- c) Disclosure pursuant to Regulations 52(4) of the SEBI LODR Regulations;
- d) Statement pursuant to Regulations 52(7) of the SEBI LODR Regulations.

The meeting commenced at 01.30 pm and concluded at 08.15 pm.

Kindly take the above on record.



Thank you.

Yours sincerely,

**For Spandana Sphoorty Financial Limited**

**Ramesh**  
**Periasamy**

Digitally signed by  
Ramesh Periasamy  
Date: 2021.05.22  
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**Ramesh Periasamy**  
**Company Secretary and Compliance Officer**

*Encl. As above*

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of Spandana Sphoorty Financial Limited pursuant to the Regulation 33 and 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
Spandana Sphoorty Financial Limited

Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Spandana Sphoorty Financial Limited (the "Company") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive loss and other financial information of the Company for the quarter and year ended March 31, 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 5 to the Statement, which describes the economic and social disruption, continued to be caused by COVID-19 pandemic, of the Company's business and financial metrics including the Company's estimates of impairment of loans to customers, and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

#### Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of

the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S. R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**VIREN H  
MEHTA** Digitally signed by VIREN H  
MEHTA  
DN: cn=VIREN H MEHTA, c=IN,  
o=Personal,  
email=viren.mehta@srb.in  
Date: 2021.05.22 20:09:17 +05'30'

per Viren H. Mehta  
Partner  
Membership No.: 048749  
UDIN: 21048749AAAAIW5861

Mumbai  
May 22, 2021



<b>SPANDANA SPHOORTY FINANCIAL LIMITED</b>						
<b>Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021</b>						
(Rupees in millions unless otherwise stated)						
Sr.No.	Particulars	Quarter ended			Year ended	
		31-Mar-21 (Audited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	31-Mar-21 (Audited)	31-Mar-20 (Audited)
	<b>Revenue from Operations</b>					
(a)	Interest Income	3,901.68	3,223.79	2,907.85	13,258.78	11,454.46
(b)	Commission and Incentive Income	89.12	-	166.91	89.12	351.12
(c)	Net gain on fair value changes	363.23	(3.96)	1,085.72	751.14	2,184.03
(d)	Others	238.05	50.91	50.68	330.01	105.25
<b>I</b>	<b>Total revenue from operations</b>	<b>4,592.08</b>	<b>3,270.74</b>	<b>4,211.16</b>	<b>14,429.05</b>	<b>14,094.86</b>
II	Other income	64.04	62.48	88.48	218.41	319.28
<b>III</b>	<b>Total income (I+II)</b>	<b>4,656.12</b>	<b>3,333.22</b>	<b>4,299.64</b>	<b>14,647.46</b>	<b>14,414.14</b>
	<b>Expenses</b>					
(a)	Finance cost	1,352.96	1,133.85	822.42	4,171.62	3,541.11
(b)	Net loss on fair value changes	27.44	-	-	27.44	-
(c)	Impairment on financial instruments and other provisions	2,119.13	1,946.17	1,874.49	6,398.75	2,728.96
(d)	Employee benefits expense	421.79	426.23	474.69	1,663.57	1,669.70
(e)	Depreciation and amortization expense	24.13	19.66	22.73	74.85	87.42
(f)	Other expenses	144.24	185.23	94.49	534.89	405.55
<b>IV</b>	<b>Total expenses</b>	<b>4,089.69</b>	<b>3,711.14</b>	<b>3,288.82</b>	<b>12,871.12</b>	<b>8,432.74</b>
<b>V</b>	<b>Profit/(loss) before tax (III-IV)</b>	<b>566.43</b>	<b>(377.92)</b>	<b>1,010.82</b>	<b>1,776.34</b>	<b>5,981.40</b>
	<b>Tax expense:</b>					
	Current tax	215.47	22.19	407.41	1,362.16	653.54
	Deferred tax	(65.46)	(96.50)	(171.56)	(875.64)	1,960.92
<b>VI</b>	<b>Income tax expense</b>	<b>150.01</b>	<b>(74.31)</b>	<b>235.85</b>	<b>486.52</b>	<b>2,614.46</b>
<b>VII</b>	<b>Profit/(loss) for the period / year (V-VI)</b>	<b>416.42</b>	<b>(303.61)</b>	<b>774.97</b>	<b>1,289.82</b>	<b>3,366.94</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>					
(a)	<b>Items that will not be reclassified subsequently to profit or loss</b>					
	1. Re-measurement gains/(losses) on defined benefit plans	(1.04)	5.98	(3.91)	20.06	(17.38)
	2. Income tax effect	0.26	(1.51)	0.98	(5.05)	4.37
(b)	<b>Items that will be reclassified subsequently to profit or loss</b>					
	1. Fair Value gain on loans	(507.13)	184.90	432.64	(420.38)	12.11
	2. Income tax effect	127.63	(46.53)	(108.89)	105.80	(3.05)
	<b>Other Comprehensive income ( VIII = a+b)</b>	<b>(380.28)</b>	<b>142.84</b>	<b>320.82</b>	<b>(299.57)</b>	<b>(3.95)</b>
<b>IX</b>	<b>Total comprehensive income for the period /year (VII+VIII)</b>	<b>36.14</b>	<b>(160.77)</b>	<b>1,095.79</b>	<b>990.25</b>	<b>3,362.99</b>
<b>X</b>	<b>Earnings per share (equity share, par value of Rs.10 each)</b>					
	Computed on the basis of total profit for the period/year					
	Basic* (Rs.) (EPS)	6.47	(4.72)	12.06	20.05	53.85
	Diluted* (Rs.) (DPS)	6.45	(4.72)	11.98	19.98	53.40

\* EPS and DPS for the quarters ended March 31, 2021, December 31, 2020 and March 31,2020 are not annualised.



<b>Spandana Sphoorty Financial Limited</b>		
<b>Statement of Audited Standalone Financial results for the year ended March 31,2021</b>		
<b>Notes :</b>		
1. Disclosure of standalone assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), as at March 31, 2021:		
(Rupees in millions unless otherwise stated)		
<b>Particulars</b>	<b>As at March 31, 2021 (Audited)</b>	<b>As at March 31, 2020 (Audited)</b>
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	11,307.83	536.19
Bank balances other than cash and cash equivalents	2,453.27	1,970.99
Trade receivables	121.06	223.68
Loans	66,163.14	49,051.40
Derivative financial instruments	0.45	0.00
Other financial assets	742.67	1,652.89
Investments	1,146.24	5,498.55
<b>Subtotal - Financial assets</b>	<b>81,934.66</b>	<b>58,933.70</b>
<b>Non-financial assets</b>		
Current tax assets (net)	149.38	149.38
Deferred tax assets (net)	1,045.42	69.03
Property, plant and equipment	196.92	151.43
Intangible assets	7.74	12.84
Other non-financial assets	126.51	101.46
<b>Subtotal - Non-financial assets</b>	<b>1,525.97</b>	<b>484.14</b>
<b>Total - assets</b>	<b>83,460.63</b>	<b>59,417.84</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Debt securities	20,347.14	7,776.28
Borrowings (other than debt securities)	31,425.34	22,184.11
Subordinated liabilities	201.83	201.67
Other financial liabilities	2,561.99	2,255.73
<b>Subtotal - Financial liabilities</b>	<b>54,536.30</b>	<b>32,417.79</b>
<b>Non-financial liabilities</b>		
Current tax liabilities (net)	1,338.85	596.69
Provisions	16.08	27.58
Other non-financial liabilities	410.35	294.40
<b>Subtotal - Non-financial liabilities</b>	<b>1,765.28</b>	<b>918.67</b>
<b>EQUITY</b>		
Equity share capital	643.15	643.15
Other equity	26,515.90	25,438.23
<b>Subtotal - Equity</b>	<b>27,159.05</b>	<b>26,081.38</b>
<b>Total-liabilities and equity</b>	<b>83,460.63</b>	<b>59,417.84</b>



**Spandana Sphoorty Financial Limited**  
**Statement of Audited Cashflow Statement for the year ended March 31, 2021**

**Notes :**

2. Disclosure of standalone statement of cashflow as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements ) Regulations 2015 (as amended), for the year ended March 31, 2021.

(Rupees in millions unless otherwise stated)

Particulars	For year ended March 31, 2021 (Audited)	For year ended March 31, 2020 (Audited)
<b>Cash flow from operating activities</b>		
Profit before tax	1,776.35	5,981.40
Adjustments for:		
Interest on income tax	157.59	-
Depreciation and amortization	74.85	87.42
Share based payment to employees	88.05	41.07
Provision for gratuity	8.56	10.20
Finance cost on lease liability	14.88	14.37
Gain on business transfer	(9.26)	-
Impairment on financial instruments and other provisions	6,398.75	2,728.96
Net gain on fair value changes	(85.84)	(44.76)
Net loss on fair value changes	27.44	
Other provisions and write-offs	26.19	29.13
<b>Operating profit before working capital changes</b>	<b>8,477.56</b>	<b>8,847.79</b>
Movements in working capital :		
Increase / (decrease) in other financial liabilities	266.82	1,707.33
Increase / (decrease) in provisions	-	(3.42)
Increase / (decrease) in other non financial liabilities	115.96	70.97
(Increase) / decrease in bank balances other than cash and cash equivalents	(482.28)	57.11
(Increase) / decrease in trade receivables	102.62	(188.19)
(Increase) / decrease in loans	(24,823.17)	(7,907.82)
(Increase) / decrease in other financial assets	963.35	(3,027.22)
(Increase) / decrease in other non financial assets	(25.05)	25.55
<b>Cash used in operations</b>	<b>(15,404.17)</b>	<b>(417.90)</b>
Income taxes paid	(777.59)	(118.77)
<b>Net cash used in operating activities (A)</b>	<b>(16,181.77)</b>	<b>(536.67)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(152.44)	(45.00)
Purchase of intangible assets	(0.10)	(0.02)
Proceeds from derecognition of property, plant and equipment	38.24	-
Business transfer	822.21	-
Investment in Subsidiary	(500.00)	-
Purchase of investments	(42,843.00)	(72,390.11)
Sale of investments	47,779.53	67,583.24
<b>Net cash generated/(used) in investing activities (B)</b>	<b>5,144.44</b>	<b>(4,851.89)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares (including securities premium)	-	3,925.59
Debt securities (net)	12,542.98	(5,943.36)
Principal payment of lease liability	9.69	(29.80)
Interest payment of lease liability	14.88	14.37
Borrowings (other than debt securities) (net)	9,241.28	6,654.22
Subordinated liabilities (net)	0.16	0.11
Share issue expenses	-	(150.46)
<b>Net generated from financing activities (C)</b>	<b>21,808.97</b>	<b>4,470.68</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>10,771.64</b>	<b>(917.88)</b>
Cash and cash equivalents at the beginning of the year	536.19	1,454.07
<b>Cash and cash equivalents at the end of the year</b>	<b>11,307.83</b>	<b>536.19</b>
<b>Components of cash and cash equivalents as at the end of year</b>		
Cash on hand	20.92	2.82
Balance with banks - on current account	8,765.92	533.37
Deposits with original maturity of less than or equal to 3 months	2,520.99	-
<b>Total cash and cash equivalents</b>	<b>11,307.83</b>	<b>536.19</b>



**SPANDANA SPOHORTY FINANCIAL LIMITED**  
(CIN: L65929TG2003PLC040648)

**Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021**

**Notes:**

- 3 The financial results of the Company 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.
- 4 The above results for the quarter and year ended March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 22, 2021 and subjected to audit by the statutory auditors in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 5 The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the year, with second wave of the pandemic emerging towards the later part of the financial year in India. The Government of India announced a nation-wide lockdown to contain the spread of the virus which continued till May 31, 2020. Subsequently, various state governments and local statutory authorities imposed restrictions on economic activities in different parts of the country which continued to impact Company's operations including lending and collection activities. Further, pursuant to the Reserve Bank of India ('RBI') COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company had offered a moratorium to its borrowers until May 31, 2020 which was further extended up to August 31, 2020 based on borrowers' requests.  
  
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. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. 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.
- 6 Further, in view of the matters mentioned in note 5 above, the Company has assessed the impact of the pandemic on its liquidity and ability to repay its obligations as and when they are due. The collections of the Company for second half year have reached the pre COVID levels. Further, the Company has considered its current liquidity position, expected inflows from various sources of borrowings and stimulus packages announced by the Government of India. Based on the foregoing, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future
- 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 The Company is in correspondence with Reserve Bank of India ("RBI") with respect to the pricing of credit guidelines prescribed under paragraph 56 of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, dated September 1, 2016, as amended. In respect of the observation made by the RBI in its inspection report for the years ended March 31, 2018 and March 31, 2019, the Company has adequately recognised its impact in these financial results. Further, as per RBI's directives, the Company has initiated the process to quantify the interest amount in respect of closed loan accounts in order to process the refund and has offered to reduce the interest rate on active loans in respect of which RBI's confirmation is awaited.
- 9 As per the policy on moratorium, approved by the Board of Directors, pursuant to the RBI circular no. DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020, the Company had not granted moratorium to its customers in overdue categories as on February 29, 2020. Accordingly, the disclosure as per para 10 of the RBI circular no. DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 is not applicable.
- 10 In accordance with the instructions in the RBI circular dated April 7 2021, all lending institutions shall refund/adjust 'interest on interest' to all borrowers including those who had availed working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Indian Banks Association (IBA) in consultation with other industry participants/bodies published the methodology for calculation of the amount of such 'interest on interest'. Accordingly, the Company has estimated the said amount and made provision for refund/adjustment in these financial results.
- 11 Disclosure pursuant to RBI Notification – RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 ("Resolution Framework for COVID-19 Related Stress") is not applicable as the Company has not restructured any loan accounts during the year.
- 12 On March 31, 2021, the Company has invested an amount of Rs. 500 Million in Criss Financial Holdings Limited, a subsidiary of the Company, by subscribing to 2,824,858 equity shares of face value of Rs. 10 per share for cash at Rs.177 per share (including premium of Rs.167 per share), offered on preferential basis
- 13 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.
- 14 The figures for the last quarter of current financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the current financial year which were subject to limited review by the auditors.
- 15 Previous year / periods figures have been regrouped / rearranged wherever necessary to conform with current period's classification.

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

PADMAJA  
GANGIREDDY  
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PADMAJA  
GANGIREDDY  
Date: 2021.05.22  
19:30:13 +05'30'

**Padmaja Gangireddy  
Managing Director**

**Place: Hyderabad  
Date: May 22, 2021**

Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of Spandana Sphoorty Financial Limited 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

Report on the audit of the Consolidated Financial Results

### Opinion

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Spandana Sphoorty Financial Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. includes the results of the following subsidiaries:
  - a. Criss Financial Holdings Limited
  - b. Caspian Financial Services Limited
- ii. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit, other comprehensive loss and other financial information of the Group for the quarter and year ended March 31, 2021.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 5 to the Statement, which describes the economic and social disruption, continued to be caused by COVID-19 pandemic, of the Group's business and financial metrics including the Group's estimates of impairment of loans to customers, and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

### Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive loss and other financial information of the Group including in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and

estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

#### Other Matter

- (a) The accompanying Statement includes the audited financial results/ statements and other financial information, in respect of two subsidiaries, whose financial results/ statements include total assets of Rs.4,021.82 million as at March 31, 2021, total revenues of Rs.192.12 million and Rs.562.41 million, total net profit after tax of Rs.81.54 million and Rs.170.00 million, total comprehensive income of Rs.81.61 million and Rs.170.18 million, for the quarter and the year ended on that date respectively, and net cash outflows of Rs.16.01 million for the year ended March 31, 2021, as considered in the Statement which have been audited by their respective independent auditors.

The independent auditor's report on the financial statements/ financial results/ financial information of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (b) The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S. R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

**VIREN H  
MEHTA**  
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MEHTA  
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o=Personal,  
email=viren.mehta@srb.in  
Date: 2021.05.22 20:08:05 +05'30'

per Viren H. Mehta  
Partner  
Membership Number: 048749  
UDIN: 21048749AAAAIX4614

Mumbai  
May 22, 2021



SPANDANA SPHOORTY FINANCIAL LIMITED						
Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021						
(Rupees in millions unless otherwise stated)						
Sr.No.	Particulars	Quarter ended			Year ended	
		31-Mar-21 (Audited)	31-Dec-20 (Unaudited)	31-Mar-20 (Audited)	31-Mar-21 (Audited)	31-Mar-20 (Audited)
	<b>Revenue from operations</b>					
(a)	Interest income	4,029.80	3,326.22	2,975.62	13,627.10	11,691.94
(b)	Commission and incentive income	87.85	5.47	174.20	97.00	370.56
(c)	Net gain on fair value changes	371.97	(3.61)	1,086.03	760.51	2,185.23
(d)	Others	249.56	50.99	50.68	341.65	105.25
<b>I</b>	<b>Total revenue from operations</b>	<b>4,739.18</b>	<b>3,379.07</b>	<b>4,286.53</b>	<b>14,826.26</b>	<b>14,352.98</b>
<b>II</b>	<b>Other income</b>	<b>63.74</b>	<b>63.50</b>	<b>111.16</b>	<b>229.88</b>	<b>342.08</b>
<b>III</b>	<b>Total income (I+II)</b>	<b>4,802.92</b>	<b>3,442.57</b>	<b>4,397.69</b>	<b>15,056.14</b>	<b>14,695.06</b>
	<b>Expenses</b>					
(a)	Finance cost	1,381.39	1,159.64	825.24	4,231.70	3,563.35
(b)	Net loss on fair value changes	27.44	-	-	27.44	-
(c)	Impairment on financial instruments and other provisions	2,116.07	1,999.38	1,881.19	6,451.40	2,735.72
(d)	Employee benefits expense	440.79	438.49	486.17	1,715.36	1,707.47
(e)	Depreciation and amortization expense	24.58	19.89	23.07	76.23	88.33
(f)	Other expenses	140.92	190.78	97.28	549.56	415.65
<b>IV</b>	<b>Total expenses</b>	<b>4,131.19</b>	<b>3,808.18</b>	<b>3,312.95</b>	<b>13,051.69</b>	<b>8,510.52</b>
<b>V</b>	<b>Profit/(loss) before tax (III-IV)</b>	<b>671.73</b>	<b>(365.61)</b>	<b>1,084.74</b>	<b>2,004.45</b>	<b>6,184.54</b>
	<b>Tax expense:</b>					
	Current tax	240.81	32.28	425.98	1,425.98	705.16
	Deferred tax	(61.78)	(100.86)	(171.59)	(876.13)	1,961.09
<b>VI</b>	<b>Income tax expense</b>	<b>179.03</b>	<b>(68.58)</b>	<b>254.39</b>	<b>549.85</b>	<b>2,666.25</b>
<b>VII</b>	<b>Profit/(loss) after Tax (V-VI)</b>	<b>492.69</b>	<b>(297.03)</b>	<b>830.35</b>	<b>1,454.60</b>	<b>3,518.29</b>
<b>VIII</b>	<b>Profit attributable to Non controlling interest</b>	<b>2.00</b>	<b>0.16</b>	<b>1.36</b>	<b>4.17</b>	<b>3.70</b>
<b>IX</b>	<b>Profit/loss for the period / year (VII-VIII)</b>	<b>490.69</b>	<b>(297.19)</b>	<b>828.99</b>	<b>1,450.43</b>	<b>3,514.59</b>
<b>X</b>	<b>Other Comprehensive Income</b>					
(a)	<b>Items that will not be reclassified subsequently to profit or loss</b>					
	1. Re-measurement gains/(losses) on defined benefit plans	(0.95)	6.27	(3.87)	20.31	(17.52)
	2. Income tax effect	0.24	(1.58)	0.97	(5.11)	4.41
	<b>Subtotal (a)</b>	<b>(0.71)</b>	<b>4.69</b>	<b>(2.90)</b>	<b>15.20</b>	<b>(13.11)</b>
(b)	<b>Items that will be reclassified subsequently to profit or loss</b>					
	1. Fair Value gain on loans	(507.13)	184.90	432.64	(420.38)	12.11
	2. Income tax effect	127.63	(46.53)	(108.89)	105.80	(3.05)
	<b>Subtotal (b)</b>	<b>(379.50)</b>	<b>138.37</b>	<b>323.75</b>	<b>(314.58)</b>	<b>9.06</b>
	<b>Other Comprehensive income ( X = a+b)</b>	<b>(380.21)</b>	<b>143.06</b>	<b>320.85</b>	<b>(299.39)</b>	<b>(4.05)</b>
<b>XI</b>	<b>Total comprehensive income for the period /year (VII+X)</b>	<b>112.48</b>	<b>(153.97)</b>	<b>1,151.20</b>	<b>1,155.21</b>	<b>3,514.24</b>
<b>XII</b>	<b>Profit/loss for the year attributable to:</b>					
	Owners of the company	490.69	(297.19)	828.99	1,450.43	3,514.59
	Non-controlling interests	2.00	0.16	1.36	4.17	3.70
<b>XIII</b>	<b>Total comprehensive income for the year attributable to :</b>					
	Owners of the company	110.48	(154.13)	1,149.84	1,151.05	3,510.54
	Non-controlling interests	2.00	0.16	1.36	4.17	3.70
<b>XIV</b>	<b>Earnings per share (equity share, par value of Rs.10 each)</b>					
	Computed on the basis of total profit for the period/year					
	Basic* (Rs.) (EPS)	7.63	(4.62)	12.90	22.55	56.21
	Diluted* (Rs.) (DPS)	7.60	(4.62)	12.81	22.47	55.74

\* EPS and DPS for the quarters ended March 31, 2021, December 31, 2020 and March 31,2020 are not annualised.



**Spandana Sphoorty Financial Limited**  
**Statement of Audited Consolidated Financial Results for the year ended March 31, 2021**

Notes: 1. Disclosure of consolidated assets and liabilities as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), at March 31, 2021:

(Rupees in millions unless otherwise stated)

Particulars	As at March 31, 2021 (Audited)	As at March 31, 2020 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	11,351.95	596.31
Bank balances other than cash and cash equivalents	2,458.27	1,975.05
Trade receivables	120.61	223.68
Loans	69,330.42	49,767.05
Derivative financial instrument	0.45	-
Other financial assets	756.72	1,661.86
Investments	23.25	4,874.62
<b>Subtotal - Financial assets</b>	<b>84,041.67</b>	<b>59,098.57</b>
<b>Non-financial assets</b>		
Current tax assets (net)	153.13	153.13
Deferred tax assets (net)	1,047.49	70.32
Property, plant and equipment	198.96	152.28
Intangible assets	7.77	13.31
Goodwill	173.74	173.74
Other non-financial assets	146.53	112.43
<b>Subtotal - Non-financial assets</b>	<b>1,727.62</b>	<b>675.21</b>
<b>Total-assets</b>	<b>85,769.29</b>	<b>59,773.78</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>Financial liabilities</b>		
Debt securities	20,347.14	7,776.28
Borrowings (other than debt securities)	33,183.69	22,273.34
Subordinated liabilities	201.83	203.28
Other financial liabilities	2,696.75	2,271.90
<b>Subtotal - Financial liabilities</b>	<b>56,429.41</b>	<b>32,524.80</b>
<b>Non-financial liabilities</b>		
Current tax liabilities (net)	1,398.16	647.07
Deferred tax liabilities (net)	-	-
Provisions	16.50	28.00
Other non-financial liabilities	414.25	301.45
<b>Subtotal - Non-financial liabilities</b>	<b>1,828.91</b>	<b>976.52</b>
<b>EQUITY</b>		
Equity share capital	643.15	643.15
Other equity	26,847.64	25,616.39
Equity attributable to shareholders of the company	27,490.79	26,259.54
Non controlling interest	20.18	12.92
<b>Subtotal-Equity</b>	<b>27,510.97</b>	<b>26,272.46</b>
<b>Total-liabilities and equity</b>	<b>85,769.29</b>	<b>59,773.78</b>



<b>Spandana Sphoorty Financial Limited</b>		
<b>Consolidated Audited Cashflow Statement for the year ended March 31, 2021</b>		
Notes: 2. Disclosure of standalone statement of cashflow as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), for the year ended March 31, 2021.		
(Rupees in millions unless otherwise stated)		
Particulars	For year ended March 31, 2021 (Audited)	For year ended March 31, 2020 (Audited)
<b>Cash flow from operating activities</b>		
Profit before tax	2,004.43	6,184.54
Adjustments for:		
Interest on income tax	165.80	0.88
Depreciation and amortization	76.23	88.33
Share based payment to employees	87.85	41.64
Provision for gratuity	8.56	10.41
Finance cost on lease liability	14.88	14.37
Net (gain)/ loss on derecognition of property, plant and equipment	-	-
Impairment on financial instruments and other provisions	6,451.40	2,735.72
Net gain on fair value changes	(86.46)	(45.96)
Net loss on fair value changes	27.44	-
Other provisions and write offs	26.19	29.24
<b>Operating profit before working capital changes</b>	<b>8,776.32</b>	<b>9,059.17</b>
Movements in working capital :		
Increase / (decrease) in other financial liabilities	385.41	1,713.86
Increase / (decrease) in other non financial liabilities	112.80	76.60
Increase / (decrease) in provisions	0.25	(3.53)
(Increase) / decrease in bank balances other than cash and cash equivalents	(483.22)	56.81
(Increase) / decrease in trade receivables	103.07	(188.19)
(Increase) / decrease in other financial assets	878.94	(1,481.63)
(Increase) / decrease in loans	(26,439.33)	(9,418.09)
(Increase) / decrease in other non financial assets	(34.10)	17.28
<b>Cash used in operations</b>	<b>(16,699.86)</b>	<b>(167.73)</b>
Income taxes paid	(840.69)	(184.00)
<b>Net cash used in operating activities (A)</b>	<b>(17,540.55)</b>	<b>(351.73)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(154.56)	(45.63)
Purchase of intangible assets	(0.10)	(0.02)
Proceeds from derecognition of property, plant and equipment	38.24	-
Purchase of investments	(42,843.36)	(72,432.21)
Proceeds from sale of investments	47,779.53	67,604.54
<b>Net cash generated/ (used) in investing activities (B)</b>	<b>4,819.75</b>	<b>(4,873.31)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares (including securities premium)	-	3,925.59
Debt securities (net)	12,542.98	(5,943.36)
Principal payment of lease liability	9.69	(29.80)
Interest payment of lease liability	14.88	14.37
Borrowings (other than debt securities) (net)	10,910.35	6,518.52
Subordinated liabilities (net)	(1.45)	0.34
Share issue expenses	-	(150.46)
<b>Net cash generated from financing activities (C)</b>	<b>23,476.43</b>	<b>4,335.22</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>10,755.64</b>	<b>(889.82)</b>
Add: Cash and cash equivalents at the beginning of the year	596.31	1,486.12
<b>Cash and cash equivalents at the end of the year</b>	<b>11,351.95</b>	<b>596.31</b>
<b>Components of cash and cash equivalents as at the end of year</b>		
Cash on hand	22.93	2.82
Balance with banks - on current account	8,808.03	593.49
Deposits with original maturity of less than or equal to 3 months	2,520.99	-
<b>Total cash and cash equivalents</b>	<b>11,351.95</b>	<b>596.31</b>



**SPANDANA SPHOORTY FINANCIAL LIMITED**

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021

**Notes:**

- 3 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 Holdings Limited	98.45%	Subsidiary

- 4 The above results for the quarter and year ended March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on May 22, 2021 and subjected to audit by statutory auditors in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 5 The COVID-19 pandemic has continued to cause a significant disruption of the economic activities across the globe including India throughout the year, with second wave of the pandemic emerging towards the later part of the financial year in India. The Government of India announced a nation-wide lockdown to contain the spread of the virus which continued till May 31, 2020. Subsequently, various state governments and local statutory authorities imposed restrictions on economic activities in different parts of the country which continued to impact Company's operations including lending and collection activities. Further, pursuant to the Reserve Bank of India ('RBI') COVID-19 Regulatory package issued vide circulars dated March 27, 2020 and May 23, 2020 which allowed lending institutions to offer moratorium to borrowers on payment of instalments falling due between March 1, 2020 and August 31, 2020, the Company had offered a moratorium to its borrowers until May 31, 2020 which was further extended up to August 31, 2020 based on borrowers' requests.
- 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. Further, the management has estimated the impact of the ongoing second wave of the pandemic on its loan portfolio, based on reasonable and supportable information available till date and considering performance after the first wave, and has noted that the existing provisioning levels are adequate to cover any further delinquencies. 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.
- 6 Further, in view of the matters mentioned in note 5 above, the Group has assessed the impact of the pandemic on its liquidity and ability to repay its obligations as and when they are due. The collections of the Group for second half year have reached the pre COVID levels. Further, the Group has considered its current liquidity position, expected inflows from various sources of borrowings and stimulus packages announced by the Government of India. Based on the foregoing, management believes that the Group will be able to pay its obligations as and when these become due in the foreseeable future.
- 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.
- 8 The Holding Company is in correspondence with Reserve Bank of India ("RBI") with respect to the pricing of credit guidelines prescribed under paragraph 56 of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, dated September 1, 2016, as amended. In respect of the observation made by the RBI in its inspection report for the years ended March 31, 2018 and March 31, 2019, the Holding Company has adequately recognised its impact in these financial results. Further, as per RBI's directives, the Holding Company has initiated the process to quantify the interest amount in respect of closed loan accounts in order to process the refund and has offered to reduce the interest rate on active loans in respect of which RBI's confirmation is awaited.
- 9 In accordance with the instructions in the RBI circular dated April 7, 2021, all lending institutions shall refund/adjust 'interest on interest' to all borrowers including those who had availed working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Indian Banks Association (IBA) in consultation with other industry participants/bodies published the methodology for calculation of the amount of such 'interest on interest'. Accordingly, the Group has estimated the said amount and made provision for refund/adjustment in these financial results.
- 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 The figures for the last quarter of current financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the current financial year which were subject to limited review by the auditors.
- 12 Previous year / periods figures have been regrouped / rearranged wherever necessary to conform with current period's classification.

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

PADMAJA  
GANGIREDDY

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**Padmaja Gangireddy  
Managing Director**

**Place: Hyderabad  
Date: May 22, 2021**



Ref: SSFL/Stock Exchange/2021-22/15

Date: May 22, 2021

To  
BSE Limited,  
Department of Corporate Services  
P. J. Towers, 25<sup>th</sup> 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: Declaration under Regulation 33(3)(d) read with Regulation 52(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")**

Pursuant to Regulation 33(3)(d) read with Regulation 52(3) of SEBI LODR Regulations as amended from time to time, we hereby declare that Statutory Auditor of the Company i.e., S. R. Batliboi & Co. LLP, Chartered Accountants have submitted the Audit Report with unmodified opinion on Annual Audited Financial Results of the Company (Standalone and Consolidated) for the financial year ended March 31, 2021.

We request you to take the above information on record.

Thanking you

**For Spandana Sphoorty Financial Limited**

**Ramesh Periasamy**  
Digitally signed by  
Ramesh Periasamy  
Date: 2021.05.22  
20:21:03 +05'30'

**Ramesh Periasamy**  
Company Secretary and Compliance Officer



**Disclosures pursuant to Regulation 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations), 2015 for the half year ended March 31, 2021**

**a) Credit rating and change in credit rating:**

Nature of Debt Instrument	Rating Agency	Term	Credit Rating	
			September 30, 2020	March 31, 2021
Bank Loans	ICRA & India Ratings	Long Term	'A(Stable)' from ICRA	'A(Stable)' from ICRA & 'Ind A/Stable' from India Ratings
Non-convertible Debentures	ICRA & India Ratings	Long Term	'A(Stable)' from ICRA	'A(Stable)' from ICRA & 'Ind A/Stable' from India Ratings
Market-linked Debentures	ICRA & India Ratings	Long Term	'A(Stable)' from ICRA	'A(Stable)' from ICRA & 'Ind A/Stable' from India Ratings

b) **Asset cover available:** Disclosure requirement of asset cover is not applicable for non banking financial companies registered with the Reserve Bank of India.

c) **debt-equity ratio:** 1.9137 times

d) **Details of previous due date for the payment of interest/repayment of principal of non convertible debt securities during the half year ended March 31, 2021:**

Security Description	ISIN	Interest/Principal Due date	Payment status
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07117	01-Oct-20	Paid (Interest)
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Oct-20	Paid (Interest)
13.15% Secured, Redeemable, Non-convertible Debentures	INE572J07224	29-Oct-20	Paid (Interest)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Oct-20	Paid (Interest and Amortization)
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Nov-20	Paid (Interest)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Nov-20	Paid (Interest and Amortization)
13.12% Secured, Redeemable, Non-convertible Debentures	INE572J07109	07-Dec-20	Paid (Interest and Amortization)
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Dec-20	Paid (Interest)

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 48126666, Fax : 040-44386640

contact@spandanaindia.com, www.spandanaindia.com



## SPANDANA

Debentures			
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Dec-20	Paid (Interest)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Dec-20	Paid (Interest and Amortization)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07117	01-Jan-21	Paid (Interest and Amortization)
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Jan-21	Paid (Interest)
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Jan-21	Paid (Interest)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Jan-21	Paid (Interest and Amortization)
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Feb-21	Paid (Interest)
10.80% Secured, Rated, Redeemable, Transferable, Taxable, Non-convertible Debentures	INE572J07232	19-Feb-21	Paid (Interest)
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Feb-21	Paid (Interest)
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-Feb-21	Paid (Interest)
12.20% Secured, Rated, Listed, Redeemable, Transferable Non-convertible Debentures	INE572J07265	27-Feb-21	Paid (Interest)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	28-Feb-21	Paid (Interest and Amortization)
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Mar-21	Paid (Interest)
11.48661% Secured, Rated, Listed, Redeemable, Transferable, Non-convertible Debentures	INE572J07323	14-Mar-21	Paid (Interest)
11.3448% net of With-holding tax, Secured, Redeemable, Non-convertible Debentures	INE572J07133	18-Mar-21	Paid (Interest)
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Mar-21	Paid (Interest)
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-Mar-21	Paid (Interest)
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Mar-21	Paid (Interest)

Spandana Sphoorty Financial Limited

CIN - L65929TG2003PLC040648

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

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e) Details of next due date for the payment of interest/repayment of principal of non convertible debt securities during the half year ended March 31, 2021:

<u>Security Description</u>	<u>ISIN</u>	<u>Next due dates from April 01, 2021 to September 30, 2021</u>
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07117	01-Apr-21
11.50% Rated, Listed, Secured, Redeemable Non -Convertible debentures	INE572J07307	07-Apr-21
14.00% Secured, Redeemable, Non-Convertible debentures	INE572J07125	08-Apr-21
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Apr-21
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-Apr-21
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Apr-21
13.15% Secured, Redeemable, Non-convertible Debentures	INE572J07224	30-Apr-21
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-May-21
10.80% Secured, Rated, Redeemable, Transferable, Taxable, Non-convertible Debentures	INE572J07232	19-May-21
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-May-21
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-May-21
12.20% Secured, Rated, Listed, Redeemable, Transferable Non-convertible Debentures	INE572J07265	27-May-21
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-May-21
13.12% Secured, Redeemable, Non-convertible Debentures	INE572J07109	07-Jun-21
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Jun-21
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Jun-21
11.48661% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07281	24-Jun-21
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-Jun-21
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Jun-21
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07117	01-Jul-21
11.50% Rated, Listed, Secured, Redeemable Non -Convertible debentures	INE572J07307	07-Jul-21
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Jul-21
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Jul-21
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non	INE572J07315	26-Jul-21



convertible Debentures		
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Jul-21
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Aug-21
10.80% Secured, Rated, Redeemable, Transferable, Taxable, Non-convertible Debentures	INE572J07232	22-Aug-21
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Aug-21
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-Aug-21
12.20% Secured, Rated, Listed, Redeemable, Transferable Non-convertible Debentures	INE572J07265	27-Aug-21
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Aug-21
14.00% Secured, Redeemable, Non-convertible Debentures	INE572J07125	08-Sep-21
11.48661% Secured, Rated, Listed, Redeemable, Transferable, Non-convertible Debentures	INE572J07323	13-Sep-21
11.3448% net of With-holding tax, Secured, Redeemable, Non-convertible Debentures	INE572J07034	20-Sep-21
Secured, Rated, Listed, Redeemable, Transferable Principal Protected Market Linked (PP-MLD) Non-convertible Debentures	INE572J07257	24-Sep-21
13.25% Secured, Redeemable, Non-convertible Debentures	INE572J07141	24-Sep-21
12.50% Secured, Rated, Listed, Redeemable, Transferable, Non convertible Debentures	INE572J07315	26-Sep-21
12.75% Secured, Redeemable, Non-convertible Debentures	INE572J07158	29-Sep-21

- f) **Debt service coverage ratio:** Disclosure requirement of debt service coverage ratio is not applicable for non banking financial companies registered with the Reserve Bank of India.
- g) **Interest service coverage ratio:** Disclosure requirement of interest service coverage ratio is not applicable for non banking financial companies registered with the Reserve Bank of India.
- h) **Capital redemption reserve/debenture redemption reserve:** Non banking financial companies registered with the Reserve Bank of India are not required to create debenture redemption reserve in case of privately placed debentures.
- i) **Net worth:** 27,159.05 Million
- j) **Net profit after tax:** 1,289.83 Million
- k) **Earnings per share:** ₹ 20.05/-

Ramesh Periasamy  
Digitally signed by Ramesh Periasamy  
Date: 2021.05.22  
20:21:17 +05'30'



Ref: SSFL/Stock Exchange/2021-22/17  
Date: May 22, 2021

To  
BSE Limited,  
Department of Corporate Services  
P. J. Towers, 25<sup>th</sup> 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: 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 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 March 31, 2021.

Kindly take the above on record.

Thank you.  
Yours sincerely,

**For Spandana Sphoorty Financial Limited**

**Ramesh**  
**Periasamy**  
Digitally signed by  
Ramesh Periasamy  
Date: 2021.05.22  
20:21:29 +05'30'

**Ramesh Periasamy**  
**Company Secretary and Compliance Officer**