



Ref: SSFL/Stock Exchange/2026-27/079

October 30, 2026

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

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

Scrip Code: 542759 and 890221

Symbol: SPANDANA and SSFLPP

Dear Sir/Madam,

Sub: Monitoring agency report for the quarter ended September 30, 2026.

Pursuant to the Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 82(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith the Monitoring agency report, for the quarter ended September 30, 2026, issued by CARE Ratings Limited, in respect of utilization of proceeds raised through the rights issue of equity shares.

The aforesaid information shall also be made available on the website of the Company at www.spandanasphoorty.com.

Kindly take the same on record.

Thanking you.

Yours sincerely,
For Spandana Sphoorty Financial Limited

VINAY PRAKASH
TRIPATHI

Digitally signed by VINAY
PRAKASH TRIPATHI
Date: 2026.10.30 17:12:14
+05'30'

Vinay Prakash Tripathi
Company Secretary

Encl: as above

Spandana Sphoorty Financial Limited

CIN - L65929TG2003PLC040648

Galaxy, Wing B, 16th Floor, Plot No.1, Sy No 83/1, Hyderabad Knowledge City,

TSIIC, Raidurg Panmaktha, Hyderabad - 500081, Telangana

Ph: +9140-48126666 | contact@spandanasphoorty.com | www.spandanasphoorty.com

Monitoring Agency Report



No. CARE/HO/GEN/2026-27/1180

The Board of Directors

Spandana Sphoorty Financial Limited

16th Floor, Wing B, Galaxy Aurobindo Realty, Plot No.1, Survey No.83/1,
Knowledge City, TSIIC,
Hyderabad
Telangana 500081

October 30, 2026

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended September 30, 2026 - in relation to Rights issue of
Spandana Sphoorty Financial Limited ("the Company")**

We write in our capacity of Monitoring Agency for the Rights Issue for the amount aggregating to ₹400.00 crore of the Company and refer to our duties cast under Regulation 82 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 15, 2025.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

A handwritten signature in blue ink that reads "Shreekiran" with a stylized flourish at the end.

Shreekiran Rao

Director

Shreekiran.rao@careedge.in

Monitoring Agency Report



Report of the Monitoring Agency

Name of the issuer: Spandana Sphoorty Financial Limited

For quarter ended: September 30, 2026

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: None

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

A handwritten signature in blue ink that reads "Shreekiran Rao".

Signature:

Shreekiran Rao

Director

Shreekiran.rao@careedge.in

1) Issuer Details:

Name of the issuer : Spandana Sphoorty Financial Limited
Name of the promoter : Kangchenjunga Limited and Kedaara Capital Fund III LLP
Industry/sector to which it belongs : Non-Banking Financial Company

2) Issue Details

Issue Period : August 01, 2025 to March 31, 2027
Type of issue (public/rights) : Rights Issue
Type of specified securities : Equity Shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : ₹400 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	CA Certificate*, Management certificate, Offer Document	The utilization of the issue proceeds is in line with the objects specified in the offer document. During Q2FY27, SSFL received ₹194.41 crore from the final call; however, no amount from these proceeds was utilised during the quarter, and the entire amount remained unutilised in Escrow Account as on September 30, 2026.	No Comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No	CA Certificate*, Management certificate, Offer Document	There were no deviations from expenditures disclosed in the Offer Document.	No Comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA Certificate*, Management certificate, Offer Document	Against the rights issue size of ₹400 crore, the company had received ₹393.76 crore up to Q2FY27. The balance may be received subsequently against the outstanding call money. Any shortfall in the final proceeds will result in a corresponding reduction in the amount available for Object 2, as set out in the Offer Document.	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No	Earlier monitoring agency report	No, there are no major/material deviations observed from the last monitoring agency report	No Comments

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	CA Certificate*, Management certificate	No approvals required, as certified by the management.	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	CA Certificate*, Management certificate	Not applicable, as certified by the management	No Comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	CA Certificate*, Management certificate	No comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Stock Exchange, CA Certificate*, Management certificate	<p>The company's AUM declined from ₹11,973 crore as on March 31, 2024, to ₹3,940 crore as on December 31, 2025, before recovering to ₹4,887 crore as on June 30, 2026. Operating performance has also shown improvement starting Q3FY26. In Q1FY27, the company reported consolidated PAT of ₹11.88 crore compared to ₹5.27 crore in Q4FY26. Profitability is expected to remain moderate in the near term due to residual portfolio stress, while sustained improvement in asset quality and profitability remains a key monitorable.</p> <p>The company's overall funding profile improved, with marginal borrowing costs declining to 11.3% in Q1FY27 from 12.0% in Q4FY26. The current market price is ₹189 (closing price as on October 22, 2026), which is lower than overall issue price of ₹230/- share.</p>	No Comments

* Chartered Accountant certificate from Raju & Prasad Chartered Accountants dated October 19, 2026

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹Crore	Revised Cost in ₹Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Augmenting the capital base and resources for meeting funding requirements for our Company's business activities	Chartered Accountant certificate*, Offer Document	380.00	Not Applicable	No Change	Not applicable	Not applicable	Not applicable
2	General corporate purposes#	Chartered Accountant certificate*, Offer Document	15.64	Not Applicable	No Change	Not applicable	Not applicable	Not applicable
3	Issue related expenses	Chartered Accountant certificate*, Offer Document	4.36	Not Applicable	No Change	Not applicable	Not applicable	Not applicable
Total			400.00@					

@ Out of the total issue size of ₹400.00 crore, the company received ₹393.76 crore of the proceeds as on September 30, 2026.

* Chartered Accountant certificate from Raju & Prasad Chartered Accountants dated October 19, 2026

#The utilisation towards general corporate purposes shall be to drive business growth, including support to strategic growth initiatives like geographic expansion, and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable. The management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

(ii) Progress in the objects –

(ii) Progress in the objects

Sr. No	Item Head	Source information certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹Crore	Amount received from rights share in ₹Crore	Amount utilised in ₹Crore			Total unutilised amount in ₹crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in ₹Crore	During the quarter in ₹Crore	At the end of the quarter in ₹Crore			Reasons for idle funds	Proposed course of action
1	Augmenting the capital base and resources for meeting funding requirements for our Company's business activities	Chartered Accountant certificate*, Bank statements	380.00	393.76 (of which 194.41 was received in Q2FY27)	195.02	Nil	195.02	194.41	No amount# has been utilised towards Object 1 in Q2FY27.	As the proceeds from first and final call was received in last week of September 2026, the same remained unutilised as on September 30, 2026. The amount unutilised as on September 30, 2026, shall be deployed for the Company's business activities.	
2	General corporate purposes	Chartered Accountant certificate*, Bank statements	15.64		Nil	Nil	Nil		No amount# has been utilised towards GCP in Q2FY27.		
3	Issue related expenses	Management Certificate, Chartered Accountant certificate*, Bank statements, Offer Document	4.36		4.33	Nil	4.33		No amount# has been utilised towards issue related expenses in Q2FY27.		
Total			400.00@	393.76	199.35	Nil	199.35	194.41			

@ Out of the total issue size of ₹400.00 crore, the company received ₹393.76 crore of the proceeds as on September 30, 2026.

* Chartered Accountant certificate from Raju & Prasad Chartered Accountants dated October 19, 2026

At the application stage in Q2FY26, the company received ₹199.35 crore, representing 50% of the issue consideration on the shares allotted. The amount was marginally lower than ₹200 crore due to rejection of certain invalid applications. These proceeds were fully utilised by Q3FY26 in accordance with the stated objects of the issue. During Q2FY27, the company received a further ₹194.41 crore taking the cumulative proceeds received to ₹393.76 crore as on September 30, 2026. The receipt was lower than the balance amount called due to non-payment of call money on certain partly paid-up shares. The company will issue reminder notice(s) in respect of the balance partly paid-up Equity Shares in accordance with applicable laws and the issue documents.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Remark	Return on Investment (%)	Market Value as at the end of quarter
1	Bank account – Kotak Mahindra Bank Escrow account	194.41	-	During Q2FY27, SSFL received ₹194.41 crore from the final call; however, no amount from these proceeds was utilised during the quarter, and the entire amount remained unutilised in the Escrow Account as on September 30, 2026.	Not Applicable	194.41

* Chartered Accountant certificate from Raju & Prasad Chartered Accountants dated October 19, 2026

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Augmenting the capital base and resources for meeting funding requirements for our Company's business activities	Latest by March 31, 2027	Ongoing	No Delay	No comment	No comment
General corporate purposes					

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in ₹Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Not applicable	-	CA Certificate*, Management certificate, Offer Document	No amount has been utilised towards GCP in Q2FY27.	No comment

* Chartered Accountant certificate from Raju & Prasad Chartered Accountants dated October 19, 2026

#The utilisation towards general corporate purposes shall be to drive business growth, including support to strategic growth initiatives like geographic expansion, and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/consents, as applicable. The management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from statutory auditors, lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

