



January 29, 2021

|                                                                                                                                                             |                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>The Manager,<br/>Listing Department,<br/>BSE Limited,<br/>Phiroze Jeejeebhoy Tower,<br/>Dalal Street,<br/>Mumbai 400 001.<br/>BSE Scrip Code: 532636</b> | <b>The Manager,<br/>Listing Department,<br/>The National Stock Exchange of India Ltd.,<br/>Exchange Plaza, 5 Floor, Plot C/1, G Block,<br/>Bandra - Kurla Complex, Bandra (E),<br/>Mumbai 400 051.<br/>NSE Symbol: IIFL</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Sub: Press Release and presentation on Unaudited Financial Results for the quarter and nine months ended December 31, 2020**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the press release and presentation to be made to the Investors/Analysts on the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2020 as follows:

1. Press Release – Annexure 1.
2. Presentation - Annexure 2.

The same has also been made available on the website of the Company, i.e. [www.iifl.com](http://www.iifl.com).

Kindly take the same on record and oblige.

Thanking You,  
Yours faithfully,

**For IIFL Finance Limited  
(Formerly known as IIFL Holdings Limited)**

  
**Sneha Patwardhan**  
**Company Secretary**  
Email Id: [csteam@iifl.com](mailto:csteam@iifl.com)  
Encl: as above



**CC:**  
Singapore Exchange Securities Trading Limited  
2, Shenton Way, #02-02, SGX Centre 1,  
Singapore - 068 804

**IIFL Finance Limited (formerly known as IIFL Holdings Limited)**

**CIN No.: L67100MH1995PLC093797**

Corporate Office – 802, 8<sup>th</sup> Floor, Hub Town Solaris, N.S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai 400069

Tel: (91-22) 6788 1000 .Fax: (91-22) 6788 1010

Regd. Office – IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604 Tel: (91-22) 41035000. Fax: (91-22) 25806654 E-mail: [csteam@iifl.com](mailto:csteam@iifl.com) Website: [www.iifl.com](http://www.iifl.com)

**IIFL Finance Limited**

Press Release

For immediate publication

Mumbai, India

January 29, 2021

## IIFL Finance Results update

### IIFL Finance Limited consolidated results for the quarter ended December, 2020 (Q3FY21)

|                                         |                |                              |
|-----------------------------------------|----------------|------------------------------|
| Total income -                          | Rs 919 Cr      | (Up 7% q-o-q and 58% y-o-y)  |
| Pre-provision operating profit (PPOP) - | Rs 615 Cr      | (Up 9% q-o-q and 127% y-o-y) |
| Profit before tax -                     | Rs 348 Cr      | (Up 25% q-o-q and 48% y-o-y) |
| Profit after tax -                      | Rs 268 Cr      | (Up 26% q-o-q and 47% y-o-y) |
| Loan AUM -                              | Rs 42,264 Cr   | (Up 3% q-o-q and 17% y-o-y)  |
| Interim dividend -                      | Rs 3 per share | (150% of par value)          |

### IIFL Finance Limited Consolidated Results – Q3FY21

| Rs Crore                   | Quarter ended<br>December 31, 2020 | Quarter ended<br>September 30, 2020 | Q-O-Q | Quarter ended<br>December 31, 2019 | Y-O-Y |
|----------------------------|------------------------------------|-------------------------------------|-------|------------------------------------|-------|
| Income (Net)               | 919.3                              | 856.9                               | 7%    | 580.7                              | 58%   |
| PPOP                       | 615.4                              | 563.3                               | 9%    | 270.7                              | 127%  |
| Profit before tax          | 348.2                              | 278.7                               | 25%   | 235.6                              | 48%   |
| Profit after tax           | 268.3                              | 212.6                               | 26%   | 182.5                              | 47%   |
| Total Comprehensive Income | 231.3                              | 205.0                               | 13%   | 186.8                              | 24%   |

### IIFL Finance Limited Consolidated Results – 9MFY21

| Rs Crore                   | Nine months ended<br>December 31, 2020 | Nine months ended<br>December 31, 2019 | Y-O-Y |
|----------------------------|----------------------------------------|----------------------------------------|-------|
| Income (Net)               | 2,448.5                                | 1,776.8                                | 38%   |
| PPOP                       | 1,575.9                                | 838.9                                  | 88%   |
| Profit before tax          | 684.2                                  | 611.3                                  | 12%   |
| Profit after tax           | 512.5                                  | 443.1                                  | 16%   |
| Total Comprehensive Income | 466.2                                  | 440.5                                  | 6%    |

**Mr. Nirmal Jain, Chairman, IIFL Finance Ltd.,** commented on the financial results: “The Company’s business model is being transformed by two-pronged strategy- Rapidly digitizing/ automating all business processes and forging win- win partnerships with banks. It places us in a unique sweet spot to deliver financial inclusion to masses and superior return on capital to all the stakeholders. The Company continues to make substantial contribution to the society, environment and sustainability. The highest ever profit, not considering exceptional items, is all but a milestone in the continuing journey of the company. We are excited about the opportunities arising from V shaped recovery in the economy with low credit penetration.”

## Financial performance review

IIFL Finance had loan assets under management of Rs 42,264 Cr as at December 31, 2020, with the home loans segment constituting 32%, gold loans 29%, business loans 18% and microfinance loans 9% of the total AUM.

The company's annualized ROE and ROA for Q3FY21 stood at 18.4% and 2.6% respectively. The company recorded its highest ever pre-provision operating profit of Rs. 615.4 Cr. during the quarter, driven by mainly volume growth and reduction in cost of funds. Average borrowing costs for the quarter decreased by 10 bps q-o-q to 9.0%.

90% of our loans are retail in nature and 43% are PSL compliant. The assigned loan book, currently at Rs 11,371 Cr, is 27% of AUM (previous quarter Rs. 10,998 Cr.). Besides, there are securitized assets of Rs. 3,201 Cr. There exists significant opportunity for further assignment and securitization, given our granular and retail book.

GNPA stood at 1.61% and NNPA stood at 0.77%, as at December 31, 2020. With implementation of Expected Credit Loss under IndAS, provision coverage on NPAs stands at 170% excluding standard asset coverage.

Total CAR stood at 21.4% including Tier I capital of 18.0% as at December 31, 2020, as against statutory requirement of 15% and 10% respectively.

The total presence of branches grew to 2,439 as at the end of quarter from 2,366 branches as at previous quarter, spanning the length and breadth of the country.

## Business segment review

**Home Loans:** At the end of the quarter, retail home loan assets grew by 9% y-o-y and 4% q-o-q to Rs 13,445 Cr. The primary focus in this segment is on affordable and non-metro housing loans. About 43,000 customers were benefitted with a subsidy of over Rs 1,000 Cr under the Pradhan Mantri Awas Yojana – Credit Linked Subsidy Scheme.

**Gold Loans:** As of December 31, 2020 the gold loans AUM grew to Rs 12,212 Cr, showing a strong growth of 61% y-o-y and 7% q-o-q. Gold loans are provided through our widespread presence in 600+ cities across 25 states to salaried, self-employed and MSME customer segments.

**Microfinance:** The microfinance business continued its steady growth, with the loan AUM growing 33% y-o-y and 13% q-o-q to Rs 3,920 Cr as at December 31, 2020. The microfinance customer base increased to over 15 lakh customers.

**Business loans:** Secured business loans grew by 7% y-o-y and 2% q-o-q to Rs. 5,411 Cr., whereas unsecured business loans continued to decline on both y-o-y and q-o-q basis. Under the Emergency Credit Line scheme, we have disbursed Rs. 298 Cr. till December, 2020.

## Construction & real estate

IIFL Asset Management Limited (IIFL AMC) has executed a binding term sheet with a renowned global alternate investment manager (Investor) for 33.3% contribution by the Investor in the AIF, subject due diligence to the satisfaction of the Investor. The AIF will have sponsor's contribution of around 33.3% from IIFL Finance Ltd. The balance contribution in the AIF is expected from other investors. The AIF will have target size of ₹3600 crores for secondary purchase of NCDs of real estate projects and providing additional liquidity for completion of the same.

## Liquidity position

During the quarter, we raised Rs 3,987 Cr through term loans and refinance from banks. Loans of Rs 4,461 Cr were securitized/assigned during the quarter. Cash and cash equivalents and committed credit lines from banks and institutions of Rs 5,149 Cr were available as on December 31, 2020.

## Co-origination/co-lending tie-up with banks

IIFL Finance and its subsidiaries has partnered with three banks for sourcing and co-lending:

- **Standard Chartered Bank:** IIFL Home Finance and Standard Chartered Bank have entered into a co-lending arrangement for extending secured MSME loans. Under this partnership, IIFL Home Finance and Standard Chartered Bank will originate these loans and IIFL Home Finance will service the customers through the entire loan life-cycle including sourcing, documentation, collection and loan servicing
- **ICICI Bank:** IIFL Home Finance partnered with ICICI Bank to provide affordable housing and secured MSME loans as a sourcing partner. Under this partnership, IIFL Home Finance will originate and service the customers through the entire loan life-cycle including sourcing, documentation, collection and loan servicing and in turn ICICI Bank will provide funding to these customers.
- **CSB Bank:** IIFL Finance, acting as Business Correspondent of CSB Bank, has commenced sourcing of gold loans during the quarter. It is a win-win partnership wherein IIFL Finance, with its vast branch network, helps CSB Bank penetrate the lower strata of customers and rural areas, where the Bank currently does not have adequate reach. IIFL Finance can scale up its customer base.

## Awards and Accolades:

- IIFL Finance received recognition as one of the Economic Times Best Brands 2020
- IIFL Finance received the 'Golden Peacock National Training Award – 2020'
- IIFL Finance's #SeedhiBaat campaign received the 'Best PR Campaign Award' at the Global Marketing Excellence Awards
- IIFL Finance's TVC with Rohit Sharma received the 'Best Marketing Campaign Award' at the National Awards for Marketing Excellence

- IFL Finance received the award for 'Most Admired Service Provider in Financial Sector' at the ET Now World BFSI Awards
- IIFL Finance featured in 'India's Best Workplaces in BFSI 2020' – Top 25 list
- The Economic Times recognized our Chairman as one of the 'Most Promising Business Leaders of Asia' for demonstrating exemplary leadership qualities
- Ms Madhu Jain, Director, IIFL Foundation received the CSR Leadership Award at Golden Globe Tigers International Awards 2020
- IIFL Foundation's flagship girl child education initiative 'Sakhiyon Ki Baadi' received the 'Best CSR Impact Initiative Award' at National Award for CSR Excellence

## About IIFL

IIFL Group is one of the leading players in the Indian financial services space. Prior to the Composite Scheme of Arrangement (effective May 2019), IIFL Finance Limited (Erstwhile “IIFL Holdings Limited”) (Bloomberg Code: IIFL IN, NSE: IIFL, BSE: IIFL) was engaged in the business of financing, asset and wealth management, retail and institutional broking, financial products distribution and investment banking through its various subsidiaries.

IIFL Finance Ltd is one of the leading retail focused diversified NBFC in India, engaged in the business of loans and mortgages along with its subsidiaries - IIFL Home Finance Limited and Samasta Microfinance Limited. IIFL Finance, through its subsidiaries, offers a wide spectrum of products such as Home loan, Gold loan, Business loan, Microfinance, Capital Market finance and Developer & Construction finance to a vast customer base of over 4 million customers. IIFL Finance has widened its pan-India reach through extensive network of branches spread across the country and various digital channels.

IIFL Securities Limited is one of the largest independent full-service retail and institutional broking house along with being a leading investment advisory firm in India providing diversified financial services and products to corporates, institutional investors, foreign portfolio investors, mutual funds, insurance companies, alternative investment funds, trusts, high net worth individuals and retail clients.

IIFL Wealth is one of the fastest growing private wealth management firms in India with an AUM greater than USD 21 billion (as on March 2020). They serve the highly specialized and sophisticated needs of high net worth and ultra-high net worth individuals, affluent families, family offices and institutional clients through a comprehensive range of tailored wealth management solutions.

This document may contain certain forward looking statements based on management expectations. Actual results may vary significantly from these forward looking statements. This document does not constitute an offer to buy or sell IIFL products, services or securities. The press release, results and presentation for analysts/press for the quarter and nine months period ended December 31, 2020, are available under the ‘Investor Relations’ section on our website [www.iifl.com](http://www.iifl.com).

*IIFL Group refers to IIFL Finance Ltd and its group companies.*

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## **Performance review**

**Quarter ended December 31, 2020 (Q3FY21)**

**Bloomberg: IIFL IN**

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**IIFL Finance Limited**

**January 29, 2021**

## **I. Q3FY21 Financial performance**

### **i. Key highlights**

### **ii. Financial performance and growth**

### **iii. Asset quality**

### **iv. Liquidity position**

## **II. Business segments review**

## **III. Technology, Alliances and other updates**

# Key highlights for the quarter ended December 2020..

**Loan AUM**  
**₹42,264 Cr**  
*Up 3% q-o-q*

**RoE / RoA\***  
**18.4% / 2.6%**  
*Previous quarter 17.1% / 2.4%*

**Profit after tax**  
**₹ 268 Cr**  
*Up 26% q-o-q*

**Cost of Funds**  
**9.0%**  
*down 10 bps q-o-q*

**Gross / Net NPAs**  
**1.61% / 0.77%**  
*Previous quarter 1.81% / 0.77%*

**Provision coverage ratio<sup>#</sup>**  
**170%**  
*Previous quarter 183%*

**Cash & undrawn lines**  
**₹ 5,149 Cr**  
*Previous quarter ₹4927Cr*

**Net Debt : Equity Ratio**  
**5.13x**  
*Previous quarter 5.24x*

**Cost to Income**  
**33%**  
*Previous quarter 34%*

**CRAR: NBFC/HFC/MFI (%)**  
**21.4/24.8/23.6**  
*Previous quarter 18.7/24.3/23.9*

**90% Retail loans**  
**10% Wholesale loans**

**Employees / Branches**  
**18,083 / 2439**

\*RoE and RoA quarterly numbers are annualised

<sup>#</sup>Excluding standard asset provision

## **I. Q3FY21 Financial performance**

i. Key highlights

**ii. Financial performance and growth**

iii. Asset quality

iv. Liquidity position

## **II. Business segments review**

## **III. Technology, Alliances and other updates**

# IIFL Finance – Consolidated results (as per IND AS)

Quarter and nine months ended December 31, 2020 (NBFC, HFC and MFI)



| ₹ Cr                                           | Q3FY21       | Q3FY20       | Y-o-Y       | Q2FY21       | Q-o-Q      | 9MFY21         | 9MFY20         | Y-o-Y      |
|------------------------------------------------|--------------|--------------|-------------|--------------|------------|----------------|----------------|------------|
| Interest income                                | 1,184.5      | 965.2        | 23%         | 1,186.3      | (0%)       | 3,454.8        | 2,939.4        | 18%        |
| Interest expense                               | (611.3)      | (599.1)      | 2%          | (640.9)      | (5%)       | (1,874.7)      | (1,798.8)      | 4%         |
| <b>Net interest income</b>                     | <b>573.2</b> | <b>366.1</b> | <b>57%</b>  | <b>545.4</b> | <b>5%</b>  | <b>1,580.1</b> | <b>1,140.6</b> | <b>39%</b> |
| Income from assigned assets                    | 208.2        | 175.5        | 19%         | 214.6        | (3%)       | 612.0          | 529.3          | 16%        |
| Other income                                   | 137.9        | 39.1         | 253%        | 96.9         | 42%        | 256.3          | 106.9          | 140%       |
| <b>Total income</b>                            | <b>919.3</b> | <b>580.7</b> | <b>58%</b>  | <b>856.9</b> | <b>7%</b>  | <b>2,448.5</b> | <b>1,776.8</b> | <b>38%</b> |
| Operating expense                              | (303.9)      | (310.0)      | (2%)        | (293.6)      | 4%         | (872.6)        | (937.9)        | (7%)       |
| <b>Pre provision operating profit</b>          | <b>615.4</b> | <b>270.7</b> | <b>127%</b> | <b>563.3</b> | <b>9%</b>  | <b>1,575.9</b> | <b>838.9</b>   | <b>88%</b> |
| Loan losses & provision                        | (267.2)      | (35.1)       | 662%        | (302.2)      | (12%)      | (838.8)        | (128.3)        | 554%       |
| <b>Profit before tax and exceptional items</b> | <b>348.2</b> | <b>235.6</b> | <b>48%</b>  | <b>261.2</b> | <b>33%</b> | <b>737.1</b>   | <b>710.6</b>   | <b>4%</b>  |
| Exceptional items                              | -            | -            | 0%          | 17.5         |            | (52.9)         | (99.3)         |            |
| <b>Profit before tax</b>                       | <b>348.2</b> | <b>235.6</b> | <b>48%</b>  | <b>278.7</b> | <b>25%</b> | <b>684.2</b>   | <b>611.3</b>   | <b>12%</b> |
| <b>Profit after tax</b>                        | <b>268.3</b> | <b>182.5</b> | <b>47%</b>  | <b>212.6</b> | <b>26%</b> | <b>512.5</b>   | <b>443.1</b>   | <b>16%</b> |
| <b>Total Comprehensive Income(TCI)</b>         | <b>231.3</b> | <b>186.8</b> | <b>24%</b>  | <b>205.0</b> | <b>13%</b> | <b>466.2</b>   | <b>440.5</b>   | <b>6%</b>  |
| Book value per share (₹)                       | 135.8        | 124.6        | 9%          | 129.8        | 5%         | 135.8          | 124.6          | 9%         |
| Earnings per share (₹ not annualized)          | 7.1          | 4.8          |             | 5.6          |            | 13.5           | 11.7           |            |
| RoE (annualized)                               | 18.4%        | 16.2%        |             | 17.1%        |            | 12.7%          | 13.1%          |            |

Note: Difference between profit after tax and TCI is Other comprehensive income (OCI). OCI in Q3FY21 is primarily MTM loss on forex borrowings. As our forex loans are fully hedged, the accounting gain/loss will even out by maturity of the bonds

# Income analysis (Consolidated as per IND AS)

Quarter and nine months ended December 31, 2020 (NBFC, HFC and MFI)

| ₹ Cr                                    | Q3FY21        | Q3FY20        | Y-o-Y      | Q2FY21        | Q-o-Q       | 9MFY21        | 9MFY20        | Y-o-Y      |
|-----------------------------------------|---------------|---------------|------------|---------------|-------------|---------------|---------------|------------|
| Assets under management                 | 42,264        | 36,015        | 17%        | 40,843        | 3%          | 42,264        | 36,015        | 17%        |
| Assigned assets                         | (11,371)      | (10,114)      | 12%        | (10,998)      | 3%          | (11,371)      | (10,114)      | 12%        |
| <b>Loan Book (Ind AS Balance sheet)</b> | <b>30,893</b> | <b>25,901</b> | <b>19%</b> | <b>29,845</b> | <b>4%</b>   | <b>30,893</b> | <b>25,901</b> | <b>19%</b> |
| Securitized book <sup>#</sup>           | (3,201)       | (2,208)       | 45%        | (1,534)       | 109%        | (3,201)       | (2,208)       | 45%        |
| <b>Loan book using Risk Capital</b>     | <b>27,692</b> | <b>23,693</b> | <b>17%</b> | <b>28,311</b> | <b>(2%)</b> | <b>27,692</b> | <b>23,693</b> | <b>17%</b> |

| ₹ Cr                                            | Q3FY21       | Q3FY20       | Y-o-Y      | Q2FY21       | Q-o-Q     | 9MFY21         | 9MFY20         | Y-o-Y      |
|-------------------------------------------------|--------------|--------------|------------|--------------|-----------|----------------|----------------|------------|
| Interest income                                 | 1,184.5      | 965.2        | 23%        | 1,186.3      | (0%)      | 3,454.8        | 2,939.4        | 18%        |
| Interest expense                                | (611.3)      | (599.1)      | 2%         | (640.9)      | (5%)      | (1,874.7)      | (1,798.8)      | 4%         |
| <b>NII at IndAS balance sheet loan book (A)</b> | <b>573.2</b> | <b>366.1</b> | <b>57%</b> | <b>545.4</b> | <b>5%</b> | <b>1,580.1</b> | <b>1,140.6</b> | <b>39%</b> |
| Income from assigned assets                     | 208.2        | 175.5        | 19%        | 214.6        | (3%)      | 612.0          | 529.3          | 16%        |
| Other Income (Fee and commission income)        | 77.6         | 40.4         | 92%        | 55.0         | 41%       | 148.6          | 115.3          | 29%        |
| <b>Non-fund based income (B)</b>                | <b>285.8</b> | <b>215.9</b> | <b>32%</b> | <b>269.6</b> | <b>6%</b> | <b>760.6</b>   | <b>644.6</b>   | <b>18%</b> |
| Net gain/loss on fair value changes (C)         | 60.3         | (1.3)        |            | 41.9         |           | 107.8          | (8.4)          |            |
| <b>Total Income (A)+(B)+(C)</b>                 | <b>919.3</b> | <b>580.7</b> | <b>58%</b> | <b>856.9</b> | <b>7%</b> | <b>2,448.5</b> | <b>1,776.8</b> | <b>38%</b> |

| <b>Fund Based: Non fund based ratio (%)</b> |     |     |  |     |  |     |     |  |
|---------------------------------------------|-----|-----|--|-----|--|-----|-----|--|
| Fund based income                           | 67% | 63% |  | 67% |  | 68% | 64% |  |
| Non-fund based income                       | 33% | 37% |  | 33% |  | 32% | 36% |  |

<sup>#</sup>In securitised book, our risk is limited to the value of cash collateral provided as credit enhancement (typically ~7%). As per RBI guidelines, 50% of the credit enhancement is reduced from tier 1 capital and the balance is reduced from tier 2 capital while computing capital adequacy ratio.

# IIFL Finance – Consolidated Balance sheet

Unaudited as at December 31, 2020 (NBFC, HFC and MFI)

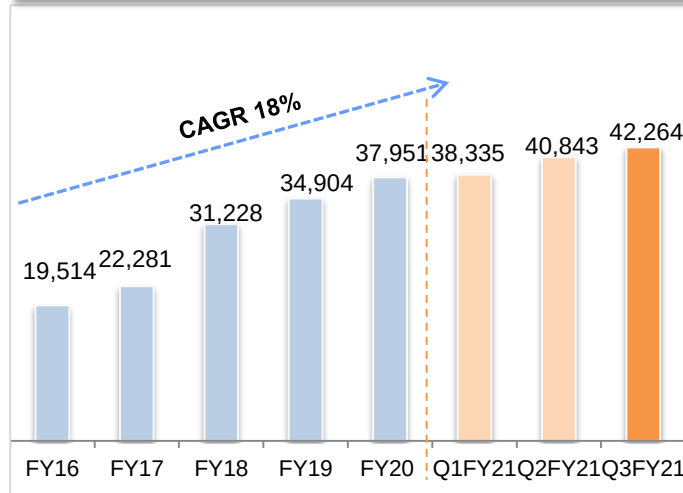


| ASSETS   |                                     | ₹ Cr          | LIABILITIES AND EQUITY |                                                 | ₹ Cr          |
|----------|-------------------------------------|---------------|------------------------|-------------------------------------------------|---------------|
|          |                                     |               |                        |                                                 |               |
| <b>1</b> | <b>Financial Assets</b>             |               | <b>1</b>               | <b>Financial Liabilities</b>                    |               |
| (a)      | Cash and Bank Balances              | 4,484         | (a)                    | Payables                                        | 116           |
| (b)      | Receivables                         | 54            | (b)                    | Borrowings                                      |               |
| (c)      | Loan Assets                         | 30,649        |                        | - NCDs                                          | 9,803         |
| (d)      | Investments                         | 18            |                        | - Others                                        | 19,701        |
| (e)      | Other financial assets              | 537           | (c)                    | Other financial liabilities                     | 1,981         |
|          | <b>Total Financial Assets (A)</b>   | <b>35,742</b> |                        | <b>Total Financial Liabilities (A)</b>          | <b>31,601</b> |
|          |                                     |               |                        |                                                 |               |
| <b>2</b> | <b>Non-Financial Assets</b>         |               | <b>2</b>               | <b>Non-Financial Liabilities (B)</b>            | <b>326</b>    |
| (a)      | Current & Deferred tax assets (Net) | 552           |                        |                                                 |               |
| (b)      | Property, Plant and Equipment etc.  | 588           | <b>3</b>               | <b>Equity &amp; Reserves (C)</b>                | <b>5,233</b>  |
| (c)      | Other non-financial assets          | 278           |                        |                                                 |               |
|          | <b>Total Non-Finance Assets (B)</b> | <b>1,418</b>  |                        |                                                 |               |
|          |                                     |               |                        |                                                 |               |
|          | <b>Total Assets (A)+(B)</b>         | <b>37,160</b> |                        | <b>Total Liabilities and Equity (A)+(B)+(C)</b> | <b>37,160</b> |

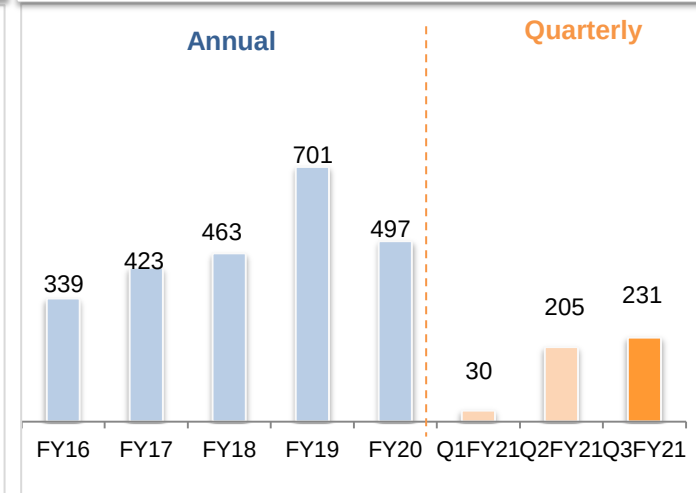
# Consistent financial performance and growth over years IIFL FINANCE

- Loan AUM has grown 17% y-o-y and 3% q-o-q, driven primarily by core products micro & small business loans, gold loans and affordable home loans
- Profit after tax (PAT) grew 26% q-o-q, driven by loan growth, higher NIM and lower cost to income ratio.
- Spread on assigned assets hovers around 6%.

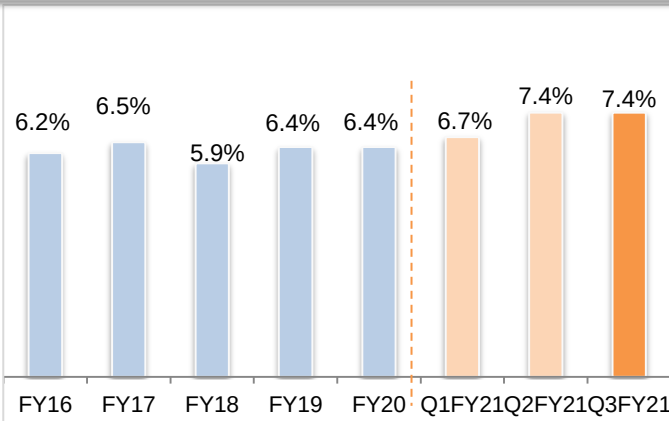
**Loan AUM (₹ Cr)**



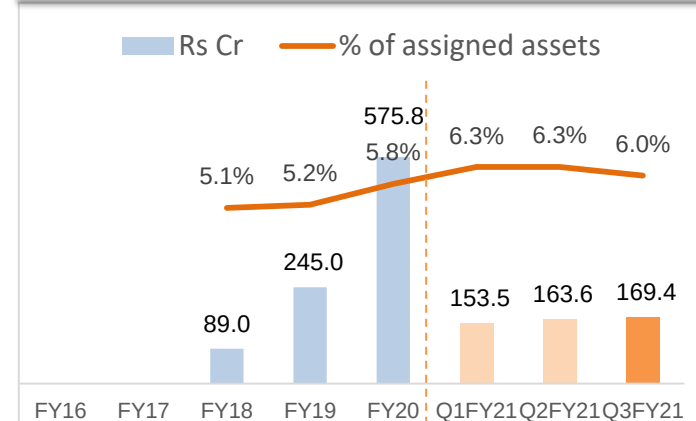
**Total comprehensive income (₹ Cr)**



**NIM on Balance Sheet assets (%)**



**Spread on assigned assets**

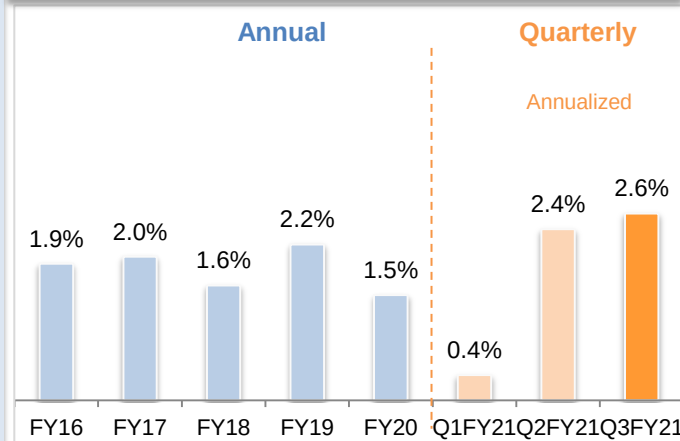


• Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

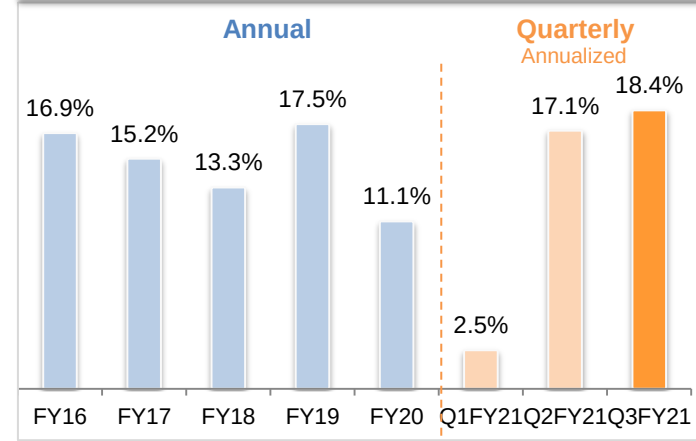
# Robust and improving financial position

- ROE annualized has crossed FY19 level at 18.4%, driven by ROA of 2.6%. The same for 9 months, annualized are 12.7% and 1.9% respectively
- Capital Adequacy Ratio (CAR) stands at 21.4% for IIFL Finance Standalone and the same for Home Finance and Microfinance subsidiaries were 24.8% and 23.6% respectively

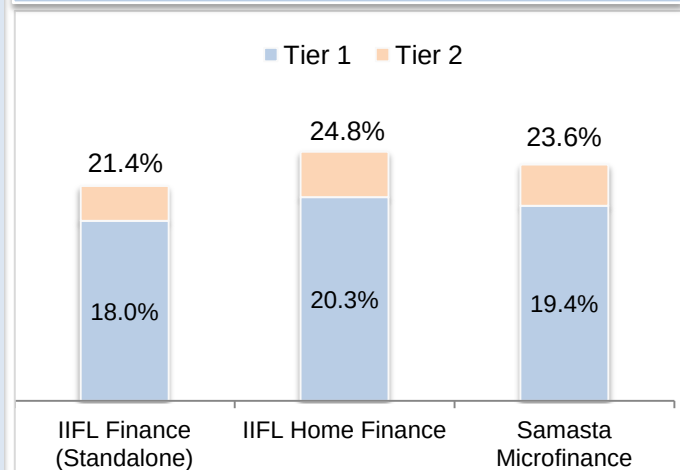
## Return on assets (%)



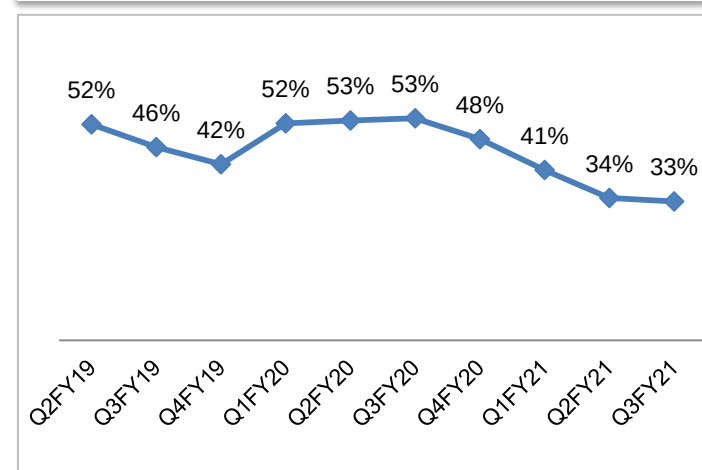
## Return on equity (%)



## Capital adequacy ratio (%)#



## Cost to income (%)

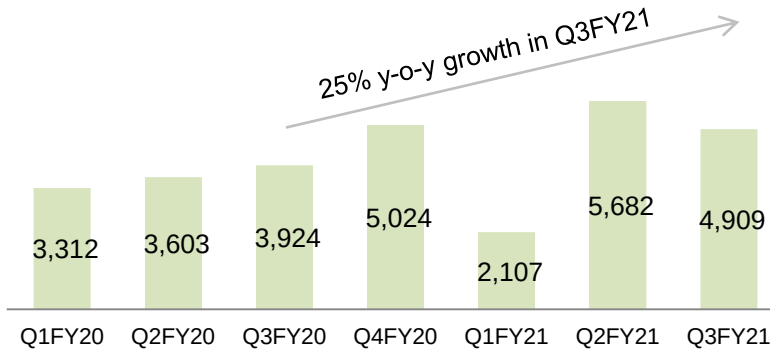


- Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP
- #IIFL Home Finance CAR is as per IGAAP, IIFL Finance and Samasta Microfinance CAR is as per IndAS

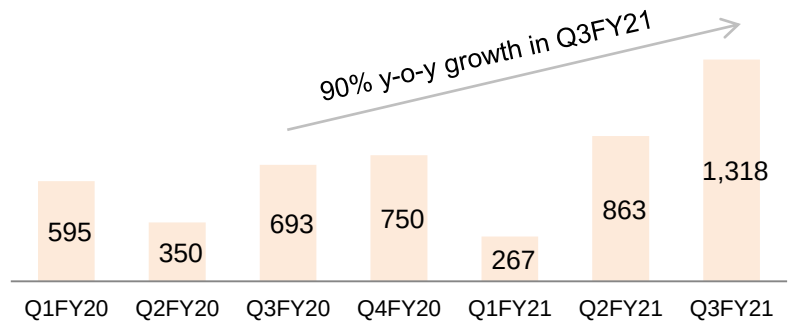
# Loan disbursements across segments are higher than pre Covid levels..

## Disbursement trends (₹ In Crs)

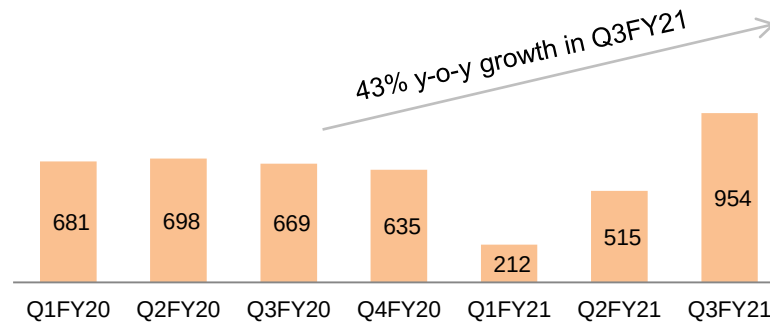
### Gold Loan



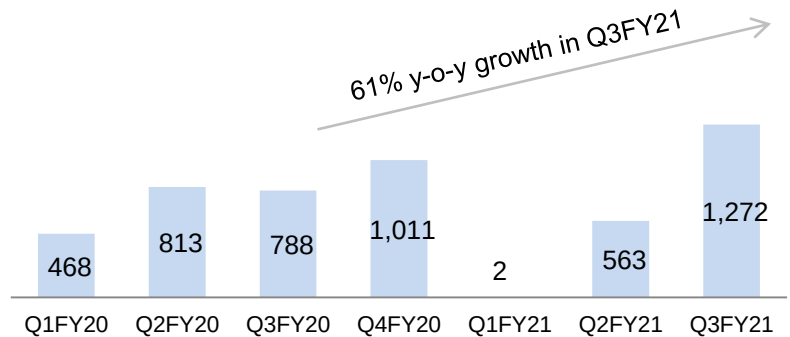
### Home Loan



### Business Loans



### Microfinance



Till December 2020, we have disbursed ₹ 298 Cr. amount under Emergency Credit Line Guarantee Scheme (ECLGS), included in business loans

## **I. Q3FY21 Financial performance**

**i. Key highlights**

**ii. Financial performance and growth**

**iii. Asset quality**

**iv. Liquidity position**

## **II. Business segments review**

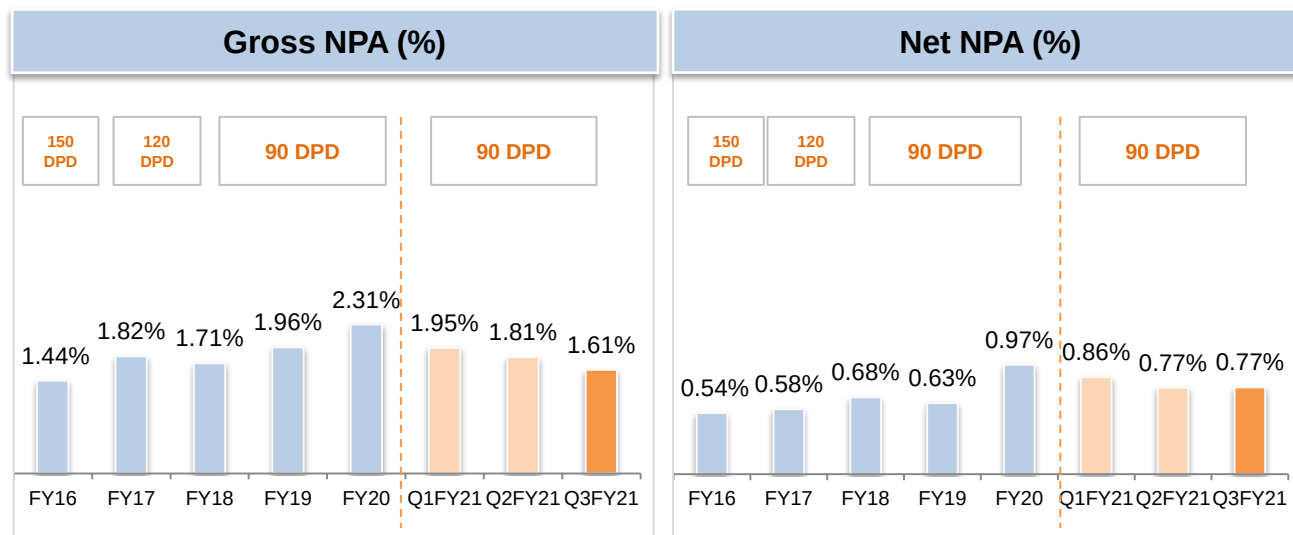
## **III. Technology, Alliances and other updates**

# Superior asset quality maintained through cycles....

- GNPA as at Q3FY21, was 1.61% and NNPA was 0.77%. Not considering Supreme Court deferment order, proforma GNPA was 2.87% and NNPA was 1.46%

- Excluding discontinued business of Healthcare Equipment Finance (HCF), the GNPA stands at 1.4% and NNPA at 0.7%,

- Under IndAS, provision coverage on NPAs was 170% (excluding standard asset provision), compared to 183% in the previous quarter.



| Q3FY21                     | % Portfolio Share | GNPA %      | NNPA%       | Portfolio Yield %* | Portfolio average Ticket Size<br>(₹ Lakhs) | Portfolio LTV % |
|----------------------------|-------------------|-------------|-------------|--------------------|--------------------------------------------|-----------------|
| Home Loans                 | 32%               | 1.1%        | 0.9%        | 10.3%              | 17.8                                       | 71%             |
| Gold Loans                 | 29%               | 0.0%        | 0.0%        | 18.9%              | 0.6                                        | 72%             |
| Business Loans             | 18%               | 3.3%        | 1.6%        | 15.9%              | 13.0                                       | 47%             |
| Microfinance               | 9%                | 2.2%        | 0.0%        | 21.6%              | 0.2                                        | -               |
| Construction & Real Estate | 10%               | 2.7%        | 1.3%        | 14.5%              | 3643.7                                     | 47%             |
| Capital Market Finance     | 2%                | 0.0%        | 0.0%        | 13.1%              | 122.6                                      | 35%             |
| <b>Total</b>               | <b>100%</b>       | <b>1.6%</b> | <b>0.8%</b> | <b>15.4%</b>       |                                            |                 |

Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

\*Portfolio yield % does not include processing fee and other charges

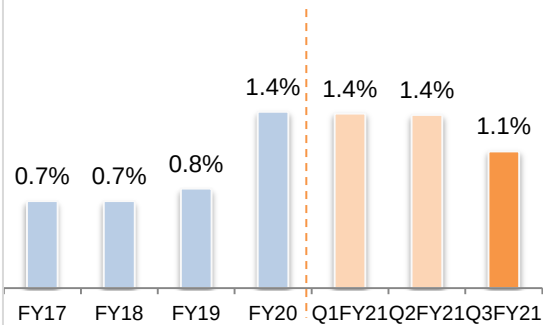
# Asset quality standards maintained in all business segments

Credit quality has been steady across key product segments

## Core growth segments

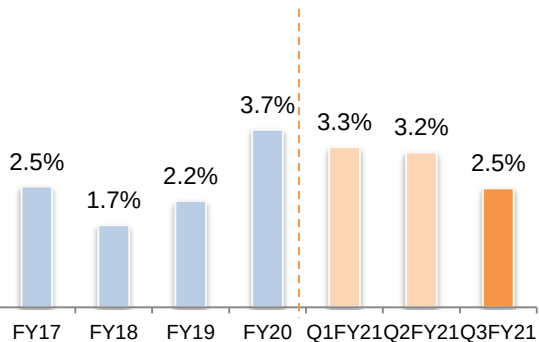
### Home loans

#### Gross NPAs (%)



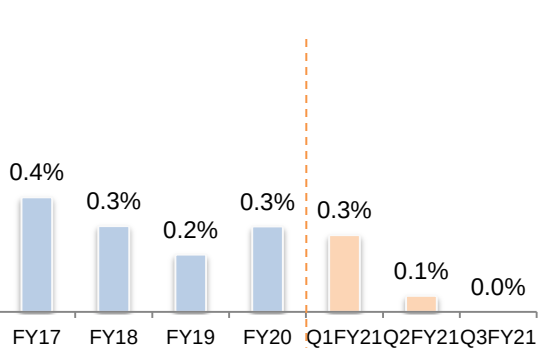
### Business loans

#### Gross NPAs (%)



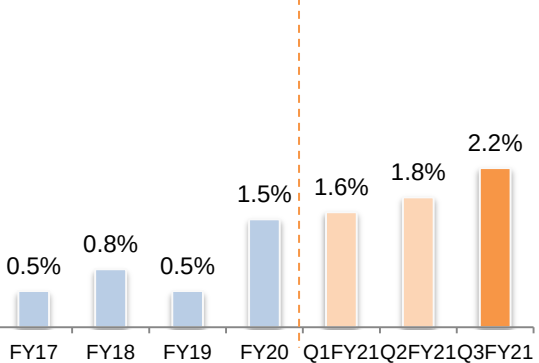
### Gold loans

#### Gross NPAs (%)



### Microfinance

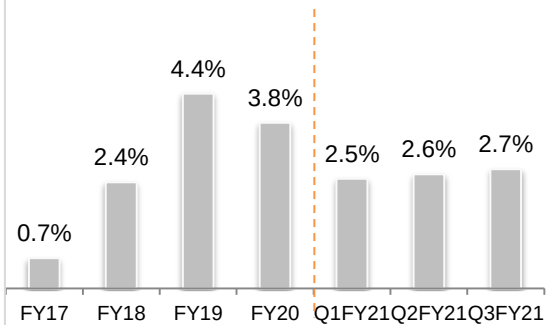
#### Gross NPAs (%)



## Synergistic segments

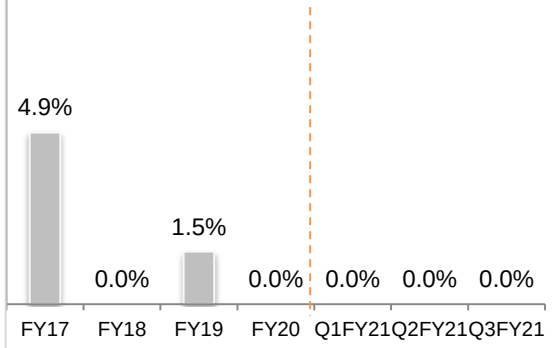
### Construction & Real Estate finance

#### Gross NPAs (%)



### Capital markets finance

#### Gross NPAs (%)



Note:

(i) Gross NPAs for FY18 onwards are as per IndAS (include securitized assets); other numbers are as per IGAAP

(ii) Business Loans excludes discontinued Healthcare Equipment HCF business

# Conservative provisioning across all segments ..

As at December 31, 2020 (NBFC, HFC and MFI)

₹ in Crores

| Business                   | Loan Book       |                |              |                 | Provision % |              |              | Total Provision |
|----------------------------|-----------------|----------------|--------------|-----------------|-------------|--------------|--------------|-----------------|
|                            | Stage 1         | Stage 2        | GNPA         | Total           | Stage 1     | Stage 2      | GNPA         |                 |
|                            | 0-30 dpd        | 30-90 dpd      | 90+ dpd      |                 | 0-30 dpd    | 30-90 dpd    | 90+ dpd      |                 |
| Home Loans                 | 8,285.1         | 382.8          | 96.2         | 8,764.0         | 1.2%        | 8.5%         | 20.5%        | 147.7           |
| Business Loans             | 5,254.2         | 860.7          | 154.4        | 6,269.3         | 2.9%        | 23.5%        | 48.7%        | 427.5           |
| - Secured                  | 3,628.7         | 401.3          | 100.2        | 4,130.2         | 2.5%        | 13.7%        | 28.3%        | 175.3           |
| - Unsecured                | 1,625.5         | 459.3          | 54.2         | 2,139.1         | 3.6%        | 32.0%        | 86.3%        | 252.1           |
| Gold Loans                 | 6,458.2         | 1,254.0        | 3.1          | 7,715.3         | 0.5%        | 1.5%         | 95.6%        | 54.8            |
| Microfinance               | 2,981.8         | 77.3           | 70.1         | 3,129.2         | 2.2%        | 5.6%         | 100.0%       | 141.4           |
| Construction & Real Estate | 3,840.0         | 361.7          | 117.2        | 4,318.9         | 8.5%        | 19.8%        | 52.0%        | 458.7           |
| Capital Market Finance     | 429.0           | 151.3          | 0.0          | 580.3           | 0.1%        | 10.9%        | 0.0%         | 17.1            |
| <b>Total</b>               | <b>27,248.3</b> | <b>3,087.7</b> | <b>440.9</b> | <b>30,776.9</b> | <b>2.5%</b> | <b>11.2%</b> | <b>51.9%</b> | <b>1,247.2</b>  |

Note:

1. Excluding discontinued Healthcare equipment financing business

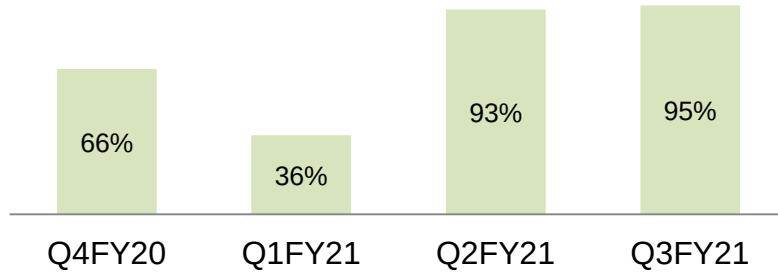
2. Based on Hon'ble Supreme Court's interim order of not classifying customers as NPA after August 31, 2020, GNPA and NNPA stood at 1.61% and 0.77% respectively. Not considering effect of Hon'ble Supreme Court interim order, proforma GNPA and proforma NNPA stood at 2.87% and 1.46% respectively

3. Dpd stands for 'Days past due'

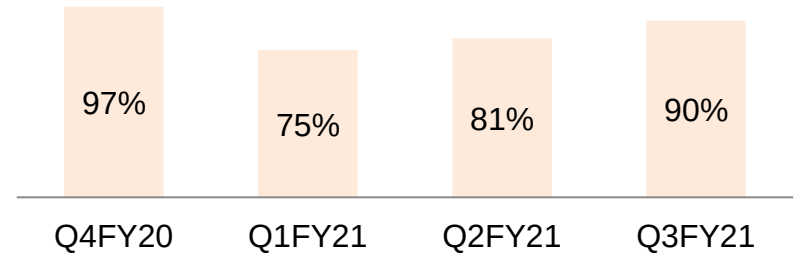
# Collection efficiency across segments have bounced back to near pre Covid levels

## Collection Efficiency trends (%) – moratorium period from Mar-Aug 2020

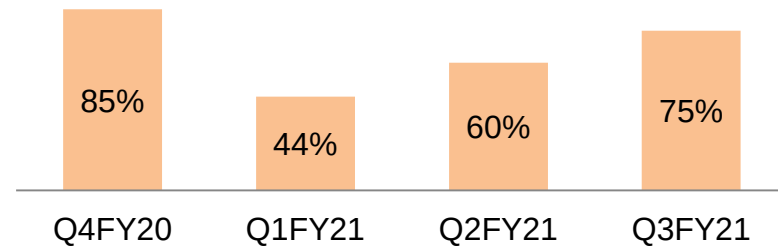
**Gold Loan**



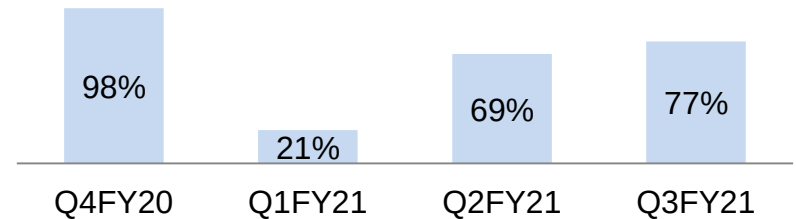
**Home Loan**



**Business Loans**



**Microfinance**



## **I. Q3FY21 Financial performance**

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## **II. Business segments review**

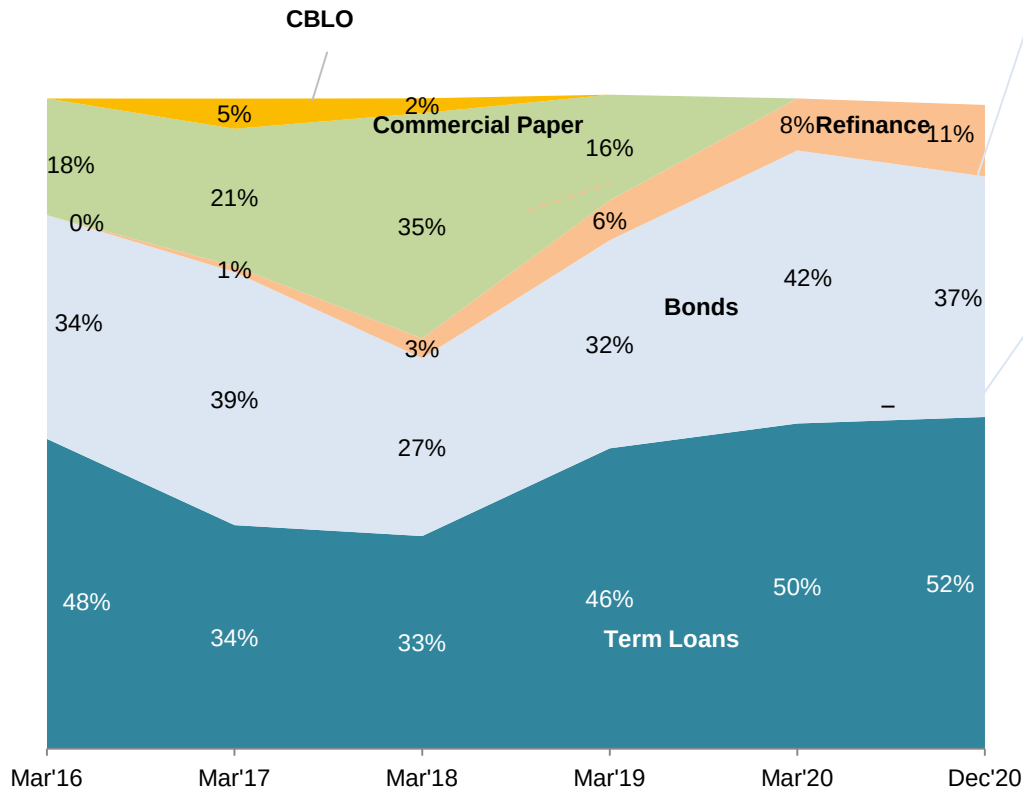
## **III. Technology, Alliances and other updates**

# Well diversified liability profile..

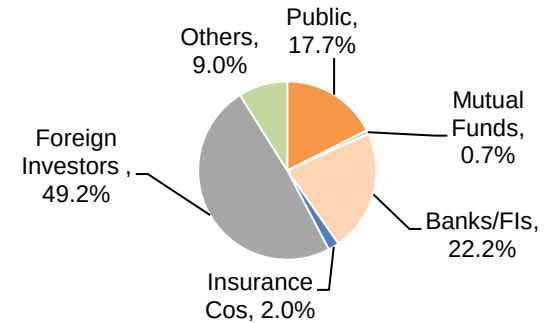
Resource profile is well diversified, with increasing share of bank loans

Outstanding borrowing (₹ Crs)

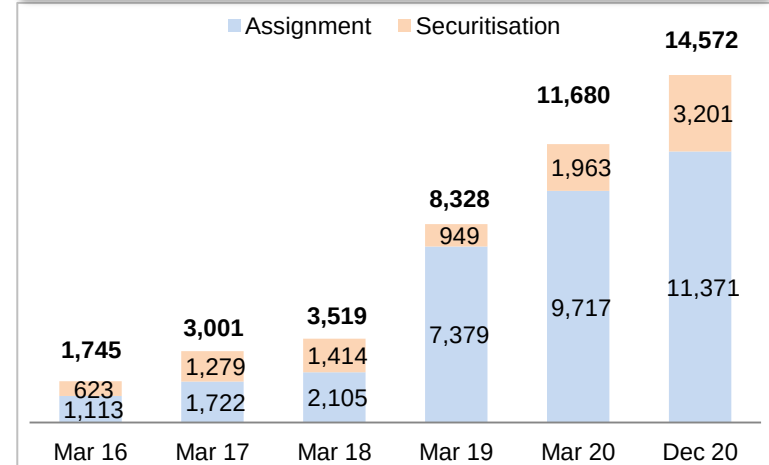
|        |        |        |        |        |        |
|--------|--------|--------|--------|--------|--------|
| 15,395 | 17,982 | 24,539 | 26,141 | 25,734 | 26,302 |
|--------|--------|--------|--------|--------|--------|



Bonds/ NCDs investors split (%)



Outstanding assignment/securitisation (₹ Cr)



# Structural Liquidity- Surplus across all buckets

₹ in Crores

Surplus/ (Deficit) as a % of outflow (cumulative)

534%

133%

140%

151%

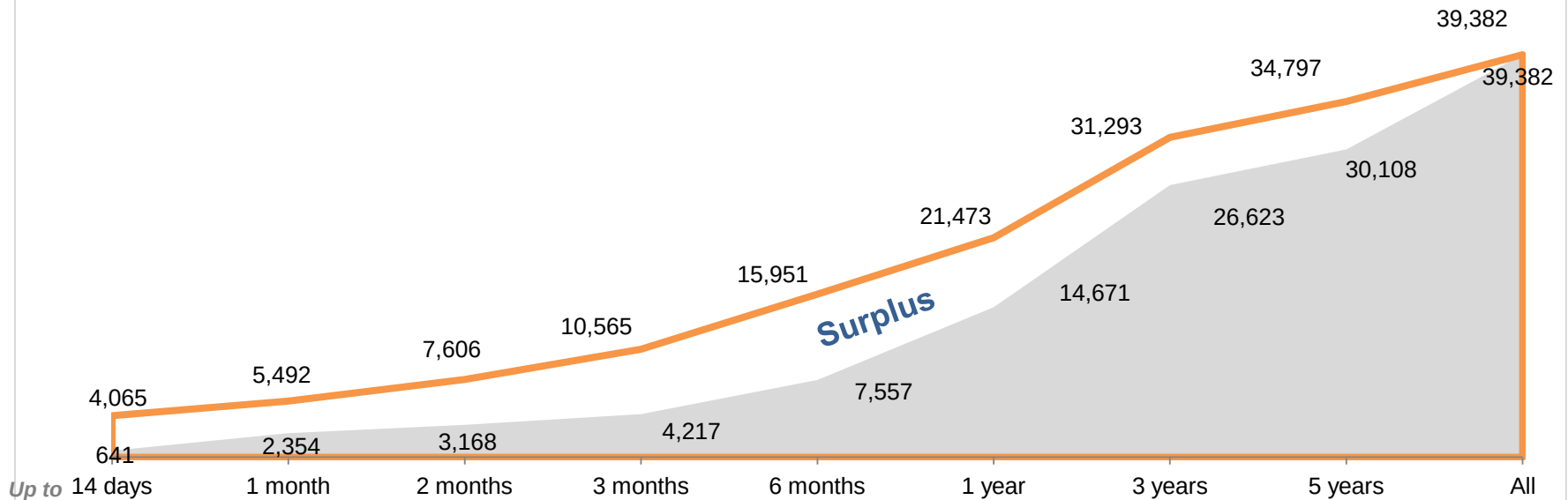
111%

46%

18%

16%

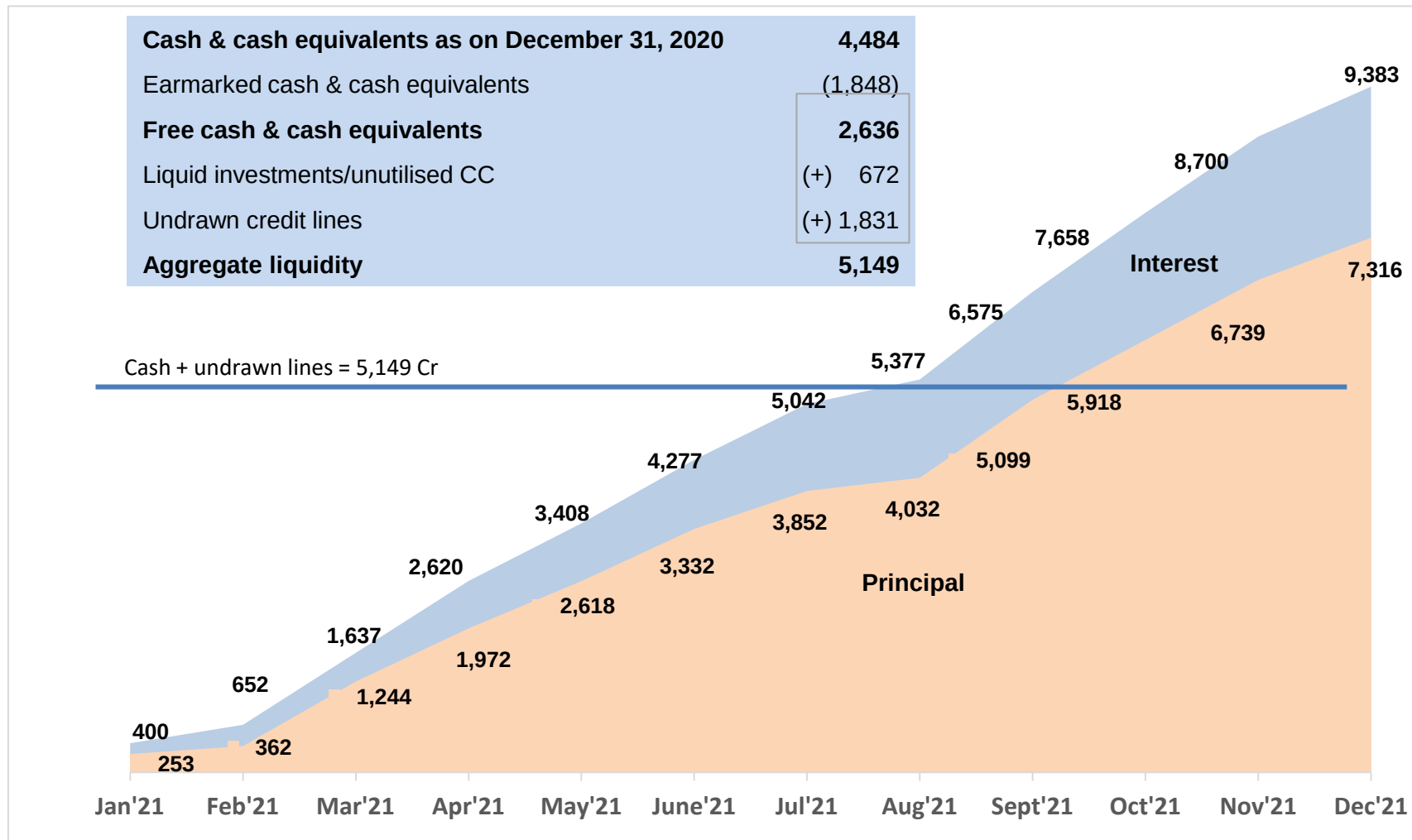
0%



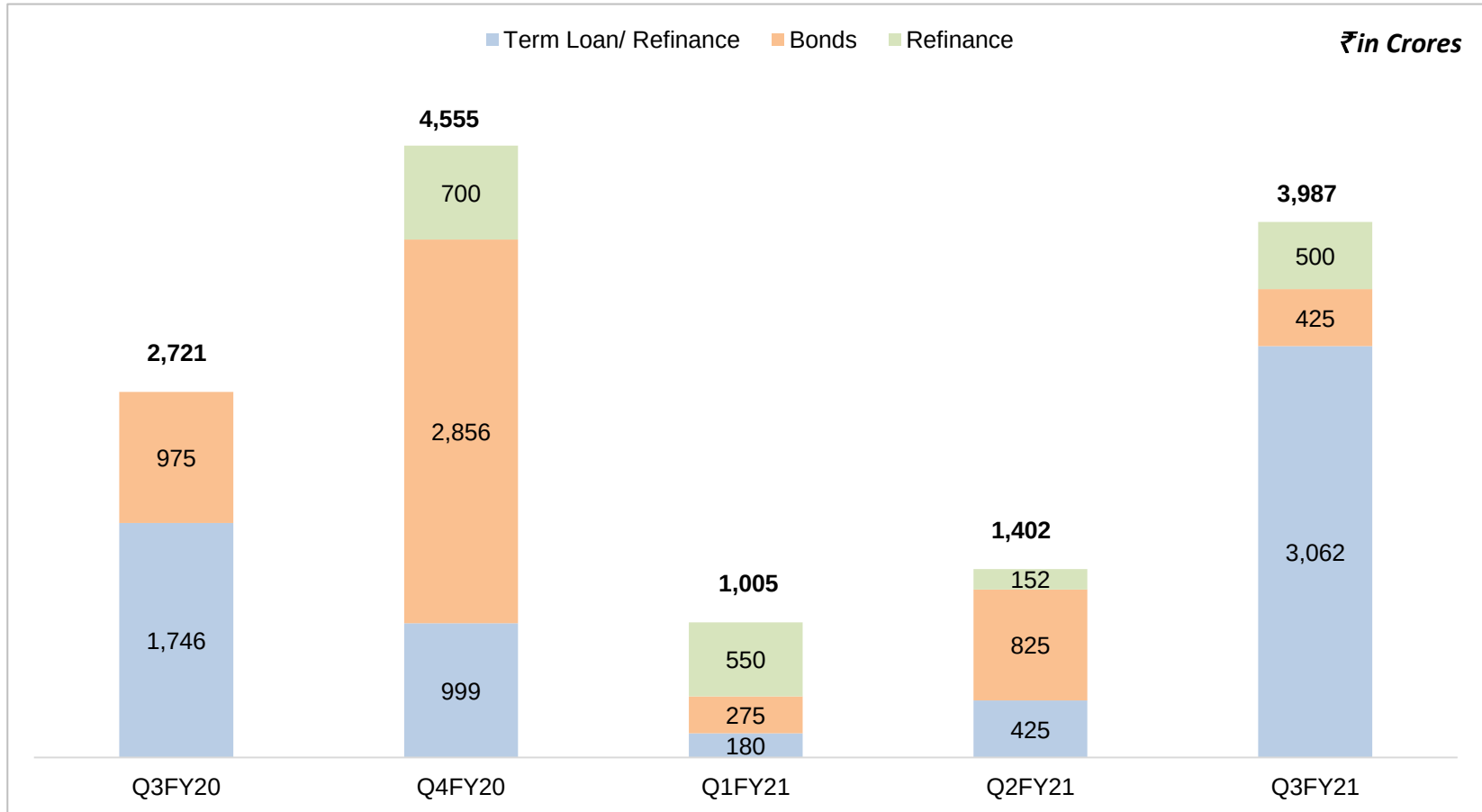
This ALM chart shows structural liquidity at consolidated level for IIFL Finance & its subsidiaries. This is prepared broadly based on RBI format, assuming static balance sheet position, not taking into account fresh disbursements. The inflows consider collection of only standard assets, excluding assigned assets as per IndAS, basis behavioral pattern applied conservatively. It takes only encumbrance free bank FDs and for outflows, operating expenses and liabilities.

# Debt repayment obligation schedule, well covered

₹ in Crores



# Debt resource raising trend



## During the quarter:

- IIFL's long term credit rating from CRISIL, ICRA and CARE are **AA** (Outlook: Negative) as on date
- Raised ₹ 3,562 Cr through term loans and refinance from banks in Q3FY21. Besides, IIFL securitized/ assigned loans of ₹ 4,461 Cr in Q3FY21

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**III. Technology, Alliances and other updates**

# Our diversified product portfolio

As on December 31, 2020

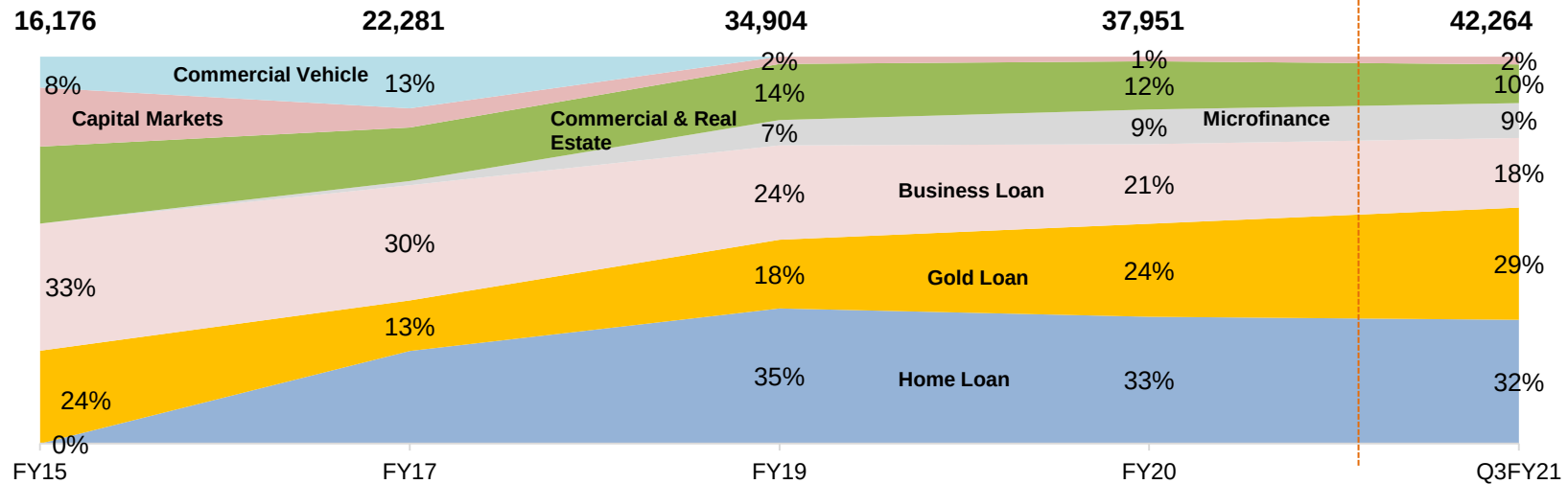
Strategic focus on segments that are core strengths and have *inter se* synergies

|                      |                                                                                                                  | AUM (₹ Cr) | Target customers                                                                       | Unique features                                                                                                                                                                                      |
|----------------------|------------------------------------------------------------------------------------------------------------------|------------|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CORE GROWTH SEGMENTS | <br>HOME                        | 13,445     | <ul style="list-style-type: none"> <li>Salaried / Self-employed individuals</li> </ul> | <ul style="list-style-type: none"> <li>Focused on affordable and non-metro housing segments</li> <li>Leverages underwriting skills developed over time</li> </ul>                                    |
|                      | <br>BUSINESS                    | 7,788      | <ul style="list-style-type: none"> <li>Medium, Small and Micro Enterprises</li> </ul>  | <ul style="list-style-type: none"> <li>Predominantly lending to business owners backed by cash flows and collateral</li> </ul>                                                                       |
|                      | <br>GOLD                        | 12,212     | <ul style="list-style-type: none"> <li>Individuals</li> </ul>                          | <ul style="list-style-type: none"> <li>Small-ticket loans with very low delinquencies</li> <li>Competitive advantage over peers given the vast branch network and segment experience</li> </ul>      |
|                      | <br>MICROFINANCE                | 3,920      | <ul style="list-style-type: none"> <li>Rural self-employed women</li> </ul>            | <ul style="list-style-type: none"> <li>High-yielding granular portfolio dominated by Self Help Groups (SHGs) of women for income generating activities</li> <li>Presence across 17 states</li> </ul> |
| NON-CORE SEGMENTS    | <br>CONSTRUCTION & REAL ESTATE | 4,319      | <ul style="list-style-type: none"> <li>Developers</li> </ul>                           | <ul style="list-style-type: none"> <li>Lending to residential projects and developers with a focus on affordable housing</li> </ul>                                                                  |
|                      | <br>CAPITAL MARKETS           | 580        | <ul style="list-style-type: none"> <li>Individuals / HNIs</li> </ul>                   | <ul style="list-style-type: none"> <li>Lending to HNIs, corporates, private trusts, etc. looking to monetize their investments to raise capital</li> </ul>                                           |

Core growth segments account for around 88% of assets under management

# The portfolio mix is becoming increasingly retail and granular

Diversified AUM portfolio disperses exposure and balances cyclical vagaries (₹ Cr)



| Loan AUM (₹ Cr)              | Q3FY21        | Q-o-Q       | Y-o-Y       |
|------------------------------|---------------|-------------|-------------|
| Home Loans                   | 13,445        | 4%          | 9%          |
| Gold Loans                   | 12,212        | 7%          | 61%         |
| Business Loans               | 7,788         | (1%)        | (2%)        |
| ↳ Secured                    | 5,411         | 2%          | 7%          |
| ↳ Unsecured                  | 2,377         | (9%)        | (19%)       |
| Microfinance                 | 3,920         | 13%         | 33%         |
| <b>Core Segments (A)</b>     | <b>37,365</b> | <b>5%</b>   | <b>21%</b>  |
| Capital Market Finance       | 580           | (20%)       | 16%         |
| Construction & Real Estate   | 4,319         | (4%)        | (7%)        |
| <b>Non-core Segments (B)</b> | <b>4,899</b>  | <b>(6%)</b> | <b>(5%)</b> |
| <b>Loan AUM (A+B)</b>        | <b>42,264</b> | <b>3%</b>   | <b>17%</b>  |

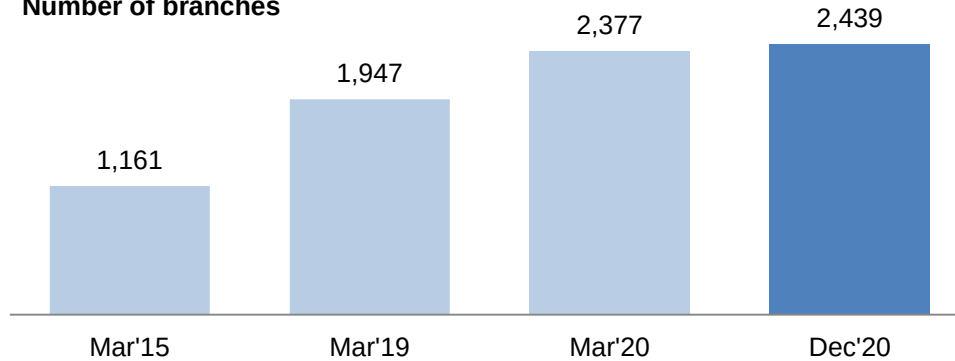
- Small ticket retail loans accounted for 90% of total loan AUM.
- Loan assets growth y-o-y driven by small ticket gold loans, microfinance loans and affordable home loans.
- Disbursements for core segments have picked up since Q2FY21.
- Construction & real estate Finance has declined both on y-o-y and q-o-q basis

# Loans sourced through own network ..

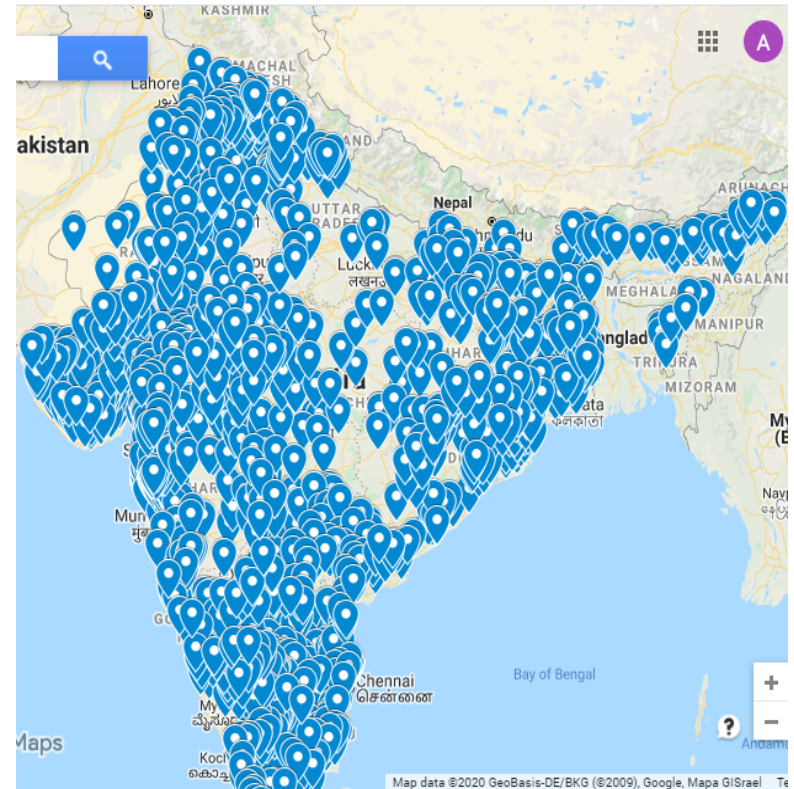
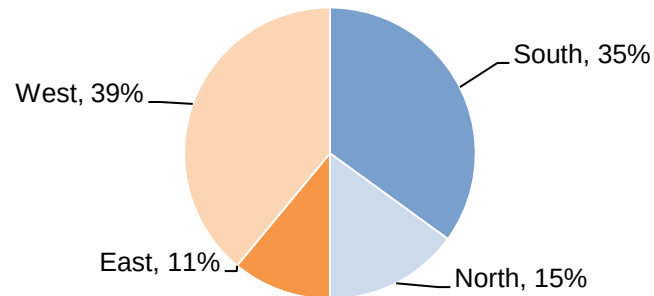
85% of branches are in Tier 2 and Tier 3 locations

Wide spread network across 25 states and over 600 locations, with over 17000 employees

Number of branches



Regional split of branches



Branches are strategically located in business districts in small towns/cities offering a significant opportunity for IIFL Finance to capture the credit market in these locations

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- Rising demand for housing in tier-II-III cities is expected to result into surge in construction which will increase the focus of financiers on urban areas.
- Rise in GDP per capita ('000), from 72 in FY12 to 152 in FY20, majorly contributed by private final consumption expenditure indicates growth in housing affordability of the people

Indian Mortgage market is expected to be INR 36.9 Trillion by Mar 2023<sup>^</sup>

INR  
21 Trillion  
+

INR 11  
Trillion

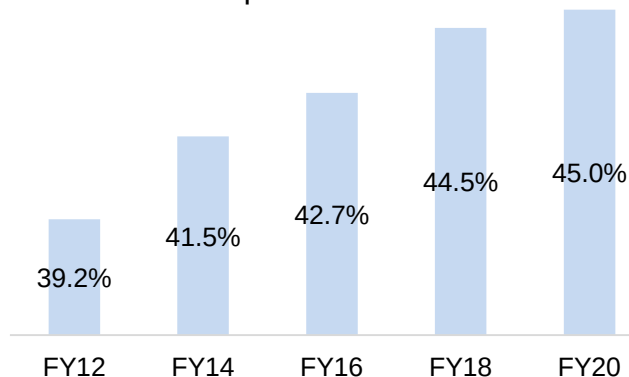
Total Loans of HFCs (FY20)

## Mortgage Market In India (FY20)

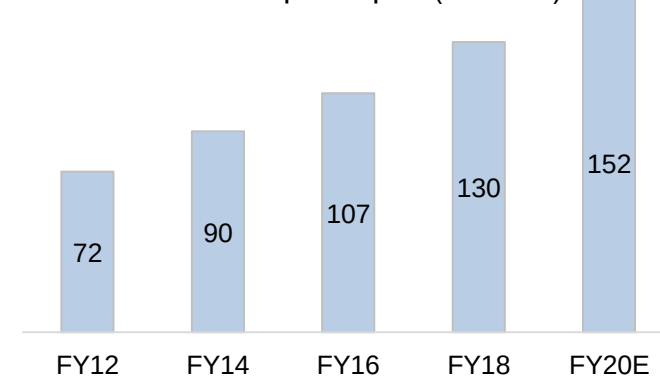
- Home Loan expected to grow due to Covid-19 vaccination and subsequent economic revival

### Growth drivers\*

#### Rise in finance penetration in urban areas



#### Rise in GDP per capita (Rs.'000)



# Home loans – product overview

## Product offering

- Affordable home loan
- Non-metro housing loan
- For home purchase, home renovation, home construction and plot purchase

## Customer segments

- Affordable home loan: Salaried and self employed segment wherein household income is below ₹75k pm and are buying properties in the range of ₹ 30 to 50 Lakh
- Non-metro housing loan: Salaried (mostly blue collar jobs) and self employed who have a micro business. Here household income is below ₹ 40k pm and buying properties in the range of ₹ 10 to 30 Lakh

AUM  
₹ 13,445 Crore

Gross /Net NPA  
1.1% / 0.9%

Onboarding Average  
Ticket Size  
₹ 16 Lakhs

LTV  
71%

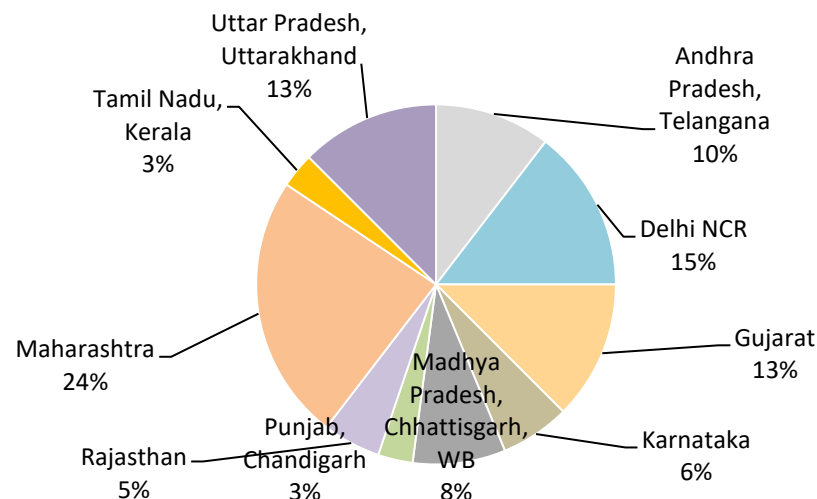
Tenor up to  
19 years

91% Collection  
Efficiency  
(Dec'20)

## Key differentiators and controls

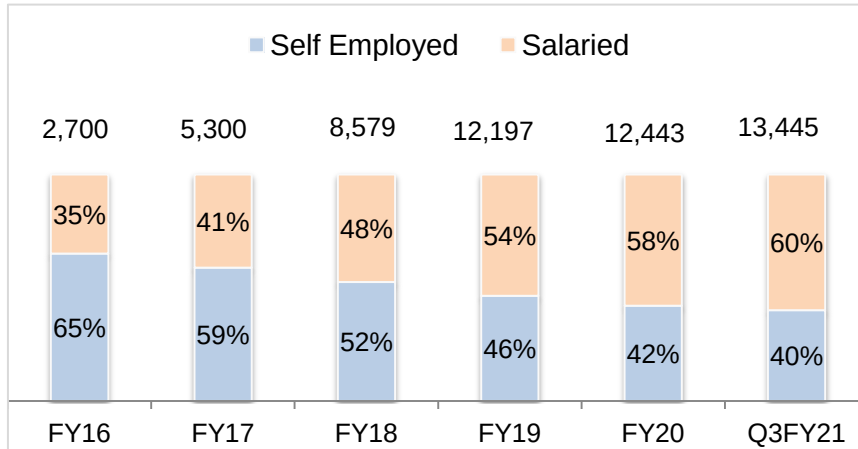
- ✓ Primary focus on affordable and non-metro housing finance to customer segments across Tier-1 suburbs, Tier- II and Tier- III cities
- ✓ Business strategy aligned with government mission of “Housing for All “ through CLSS subsidy
- ✓ ₹ 1,000+ Cr of subsidy received under Credit-linked Subsidy Scheme, which has benefitted over 49,500+ customers

## Distribution of AUM as at December 31, 2020

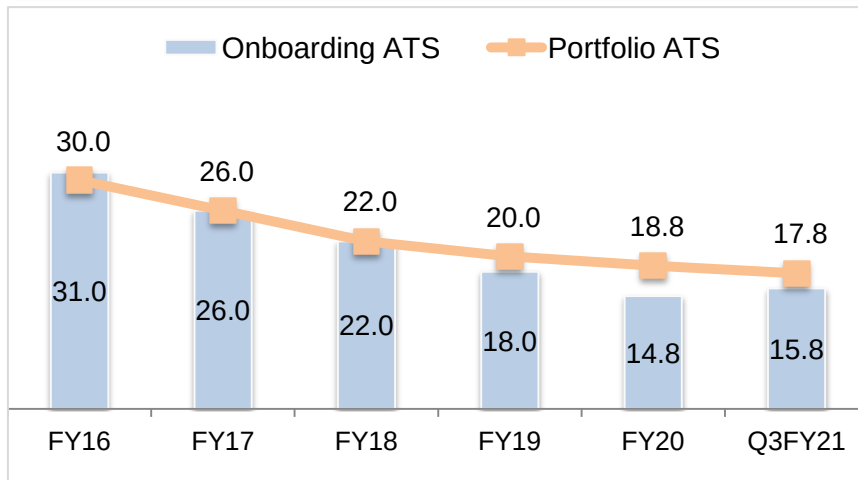


# Home loans – financial overview

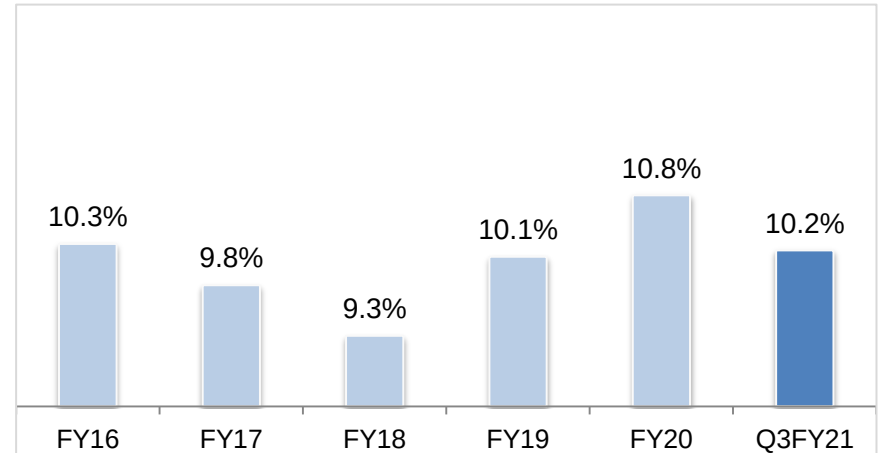
## Assets Under Management (₹ Crore)



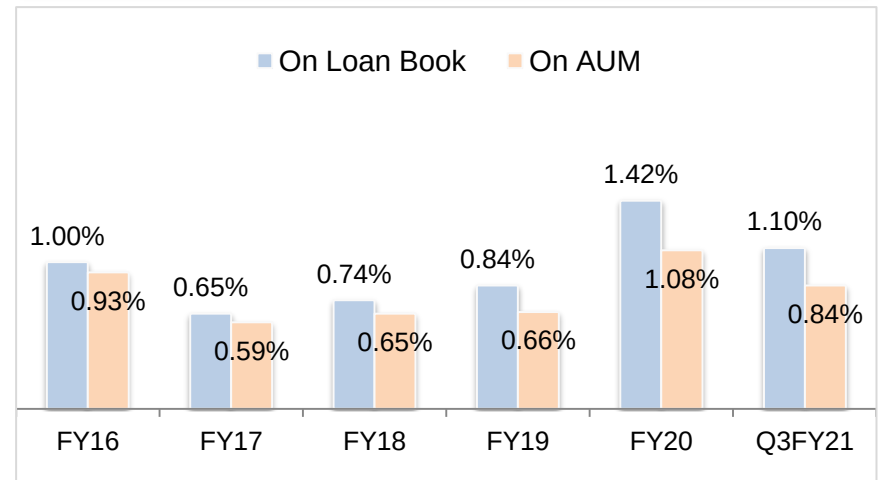
## Average Ticket Size (₹ Lakhs)



## Boarding Yield (%)



## Gross NPAs (%)



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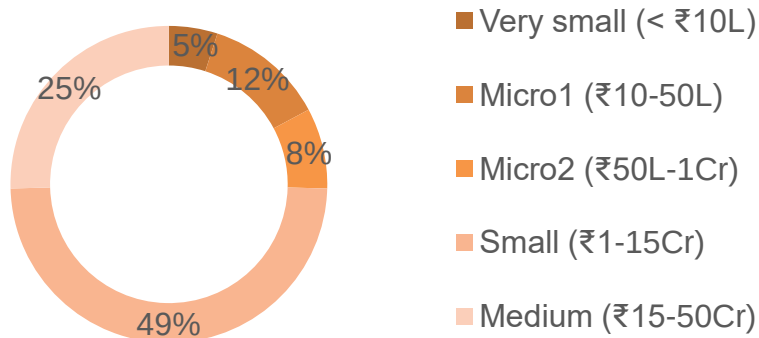
**III. Technology, Alliances and other updates**

# Business loans (MSME) – industry overview

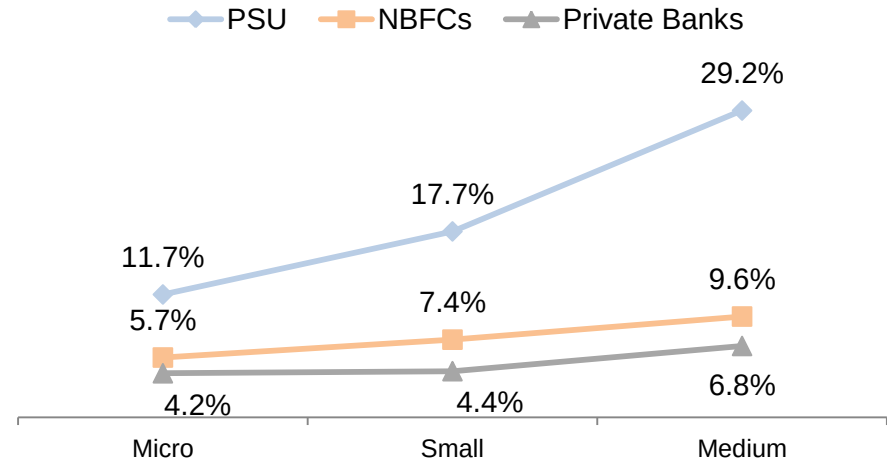
Micro segment: Biggest beneficiary of fresh disbursals with lowest default rates

## MSME Exposure by ticket size

Total MSME Exposure - ₹ 17.75 lakh crores  
(as on Jan'20)

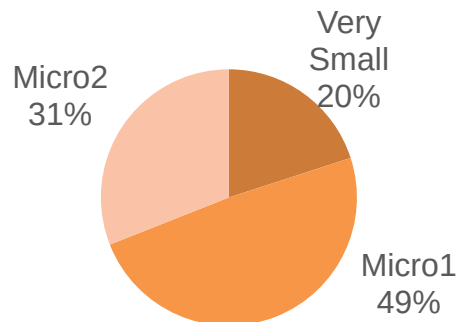


## NPA rates across MSME segment

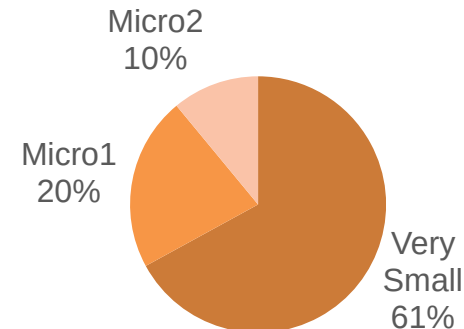


Fresh credit disbursals to the tune of ₹92.3 thousand cr was done in 2019 to Micro segment<sup>1</sup>

## Fresh disbursals in 2019 by value



## Fresh disbursals in 2019 by count



<sup>1</sup>Commercial loans classified on the basis of credit exposure aggregated at entity level, Very Small: <10L; Micro1: 10L-50L; Micro2: 50L-1Cr; Small: ≥1Cr <15Cr; Medium: ≥ 15Cr <50Cr; Large ≥ 50Cr. Micro segment includes Very Small, Micro1 and Micro2 segments (Source: SIDBI Pulse report Apr'20)

# Business loans – product overview

## Product offering

- For business loans backed by cash flows
- Collateral must for loans of more than ₹ 50 Lakh; LTV up to 70%

## Customer segments

- MSME customers having established business performance
- Lending to manufacturing, trading and service sectors for working capital and business expansion
- 69% of unsecured portfolio covered through CGTMSE guarantee scheme

**AUM**  
₹ 7,788 Crore

**Gross/Net NPA\***  
2.5% / 1.3%

**On boarding  
Average Ticket Size**  
₹ 7 Lakh

**Tenor**  
Upto 12 years

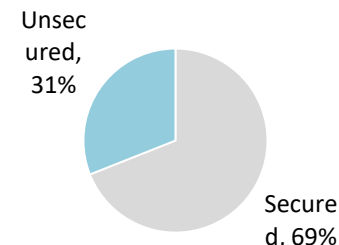
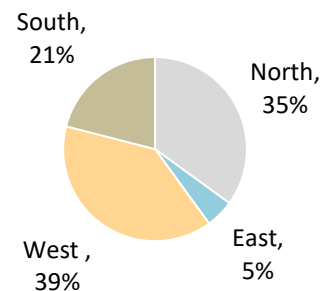
**75% Collection  
Efficiency  
(Dec'20)**

## Key differentiators and controls

- ✓ Varied products – small ticket Insta loans, cash flow backed business loans and Loans against Property
- ✓ Focus on balancing prudent credit underwriting with instant in-principal decisioning and automated disbursements based on analytical scorecards
- ✓ Strong collections and portfolio monitoring based on risk events and triggers

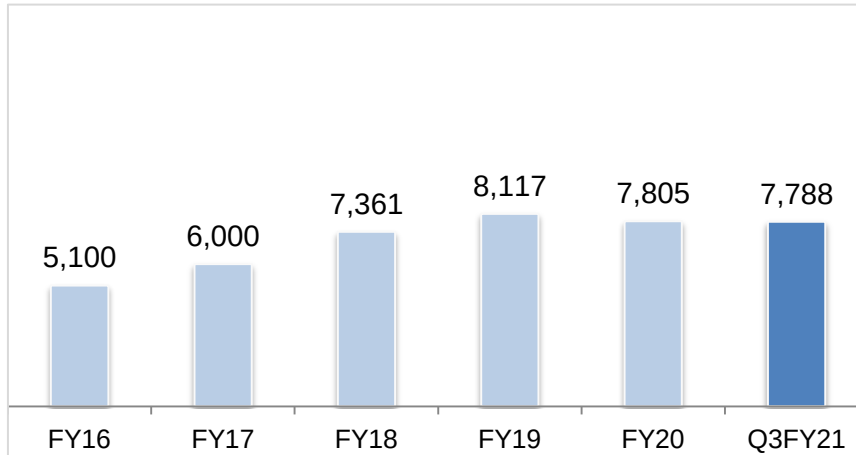
## Distribution of AUM as at December 31, 2020

### Region-wise distribution

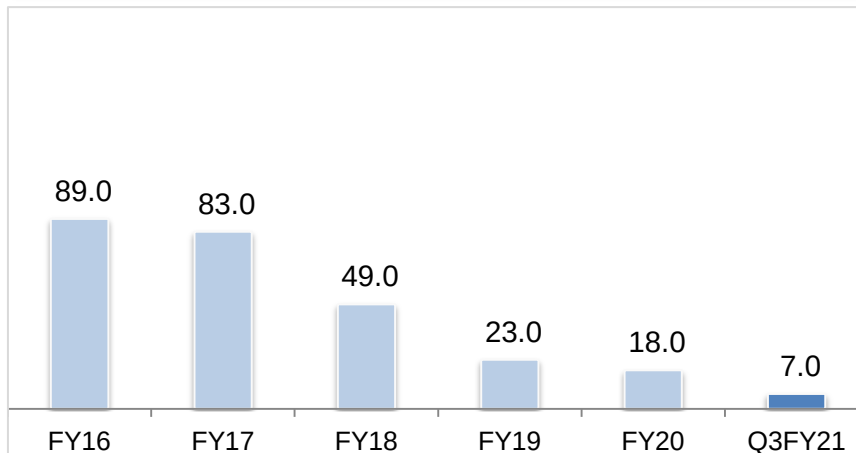


# Business loans – financial overview

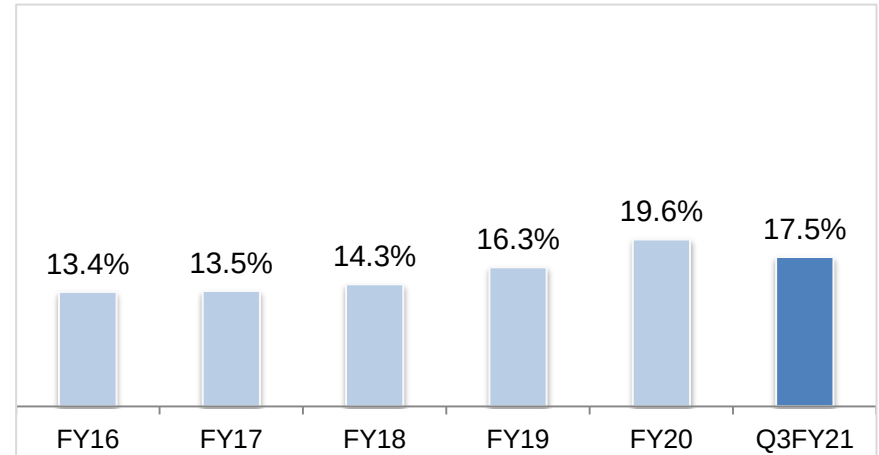
Assets Under Management (₹ Crore)



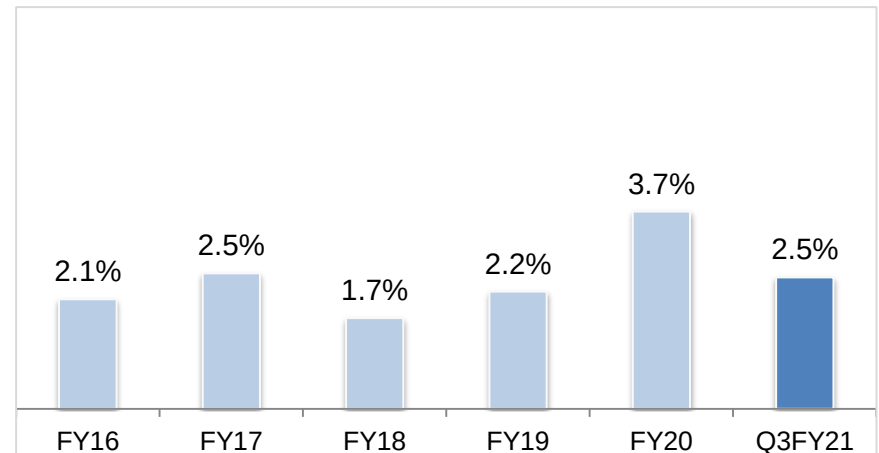
Onboarding Average Ticket Size (₹ Lakhs)



Boarding Yield (%)



Gross NPAs (%)



**I. Q3FY21 Financial performance**

**II. Business segments review**

i. Overview and mix

ii. Home loan

iii. Business loan

**iv. Gold loan**

v. Microfinance

vi. Update on commercial & real estate

**III. Technology, Alliances and other updates**



**25,000 tonnes**  
of gold is held by Indian  
Households  
(**65% in Rural India**)



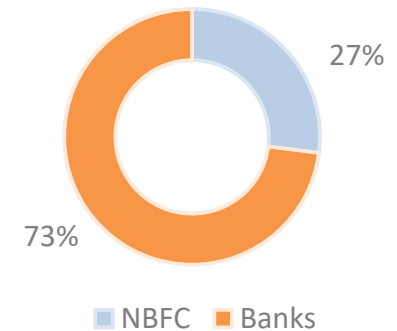
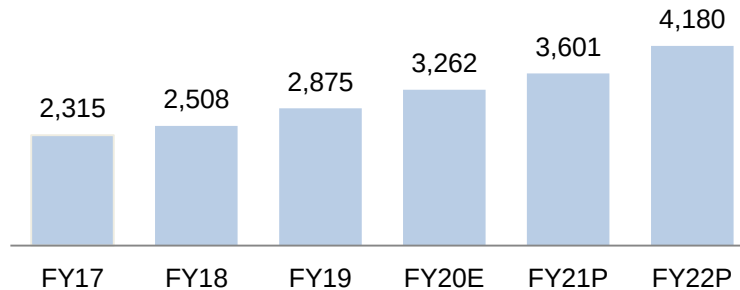
**47%**  
of total gold globally is in  
the form of Jewellery



**1,97,576 tonnes**  
of gold mined world over  
since the beginning of  
civilisation (2019 estimate)

## Industry Gold Loans – Organized Market

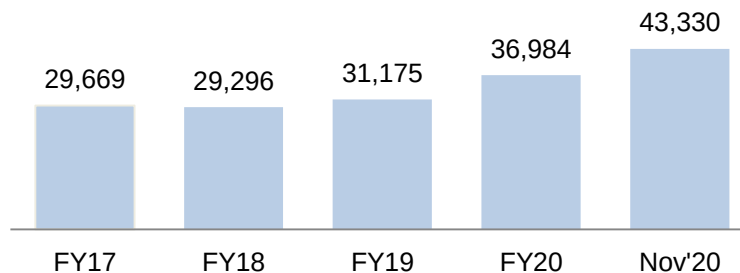
(₹ bn)



- Gold loans expected to growth at a higher rate amongst all asset classes

## Growth drivers

### Stable Gold Price



Technology  
advancement



Increasing  
customer  
awareness



- Stable gold price outlook, instant disbursal and risk aversion by lenders will push borrowers to pledge gold in exchange for loan
- Lucrative for lenders owing to short term nature, 100% collateralized, regulated LTV, higher yields, liquid assets and limited asset quality concerns

# Gold loans – product overview

## Product offering

- Loan against jewellery provided for personal & business use;
- On-boarding LTV ~ 71%

## Customer segments

- Salaried, self-employed and MSME businesses
- 70% are repeat customers

**AUM**  
₹ 12,212 Crore

**Gross/Net NPA**  
0.0% / 0.0%

**Onboarding  
Average Ticket Size**  
₹ 0.6 Lakhs

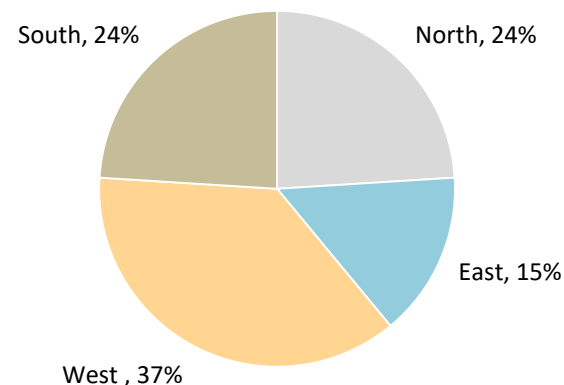
**Tenor**  
~1 year

**93% Collection Efficiency**  
(Dec'20)

## Key differentiators and controls

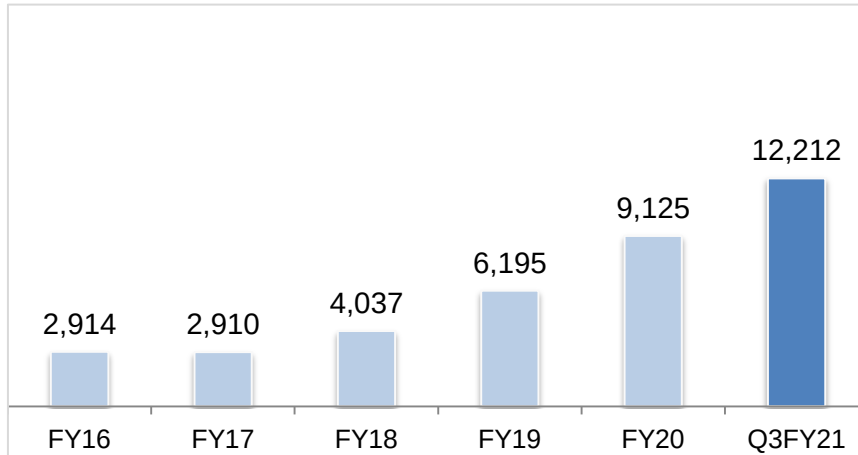
- ✓ Sourcing through sales executives in 600+ cities across 25 states
- ✓ In-house loan origination tablet application equipped to screen customers for earlier defaults, frauds and negative customer lists
- ✓ Strong emphasis on collections and resolution resulting in negligible losses
- ✓ Launched digital gold loan – for top-up and online renewal of gold loans
- ✓ Low auction to book ratio of 0.23%

## Distribution of AUM as at December 31, 2020

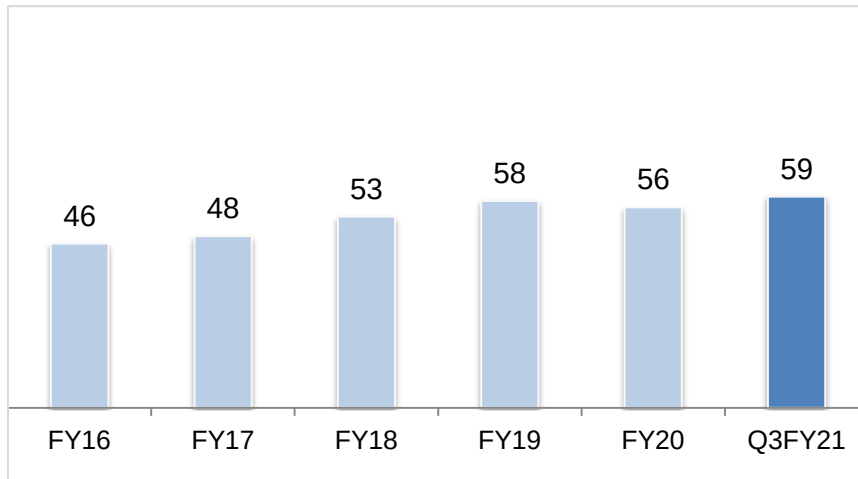


# Gold loans – financial overview

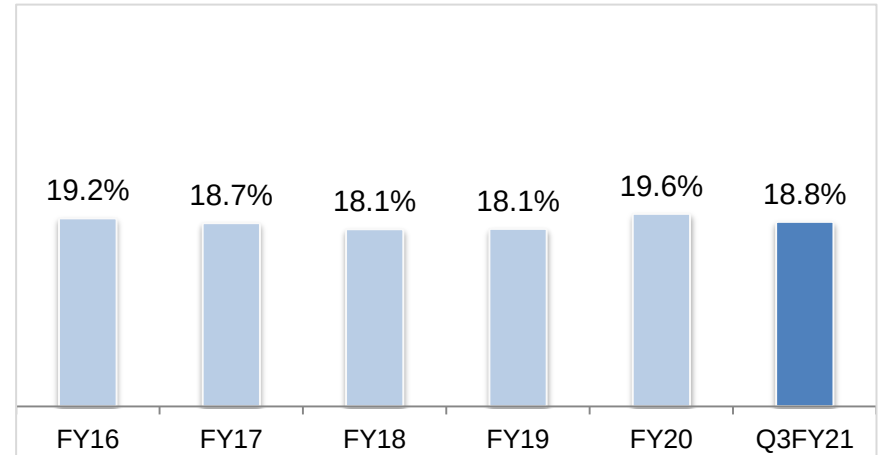
**Assets Under Management (₹ Crore)**



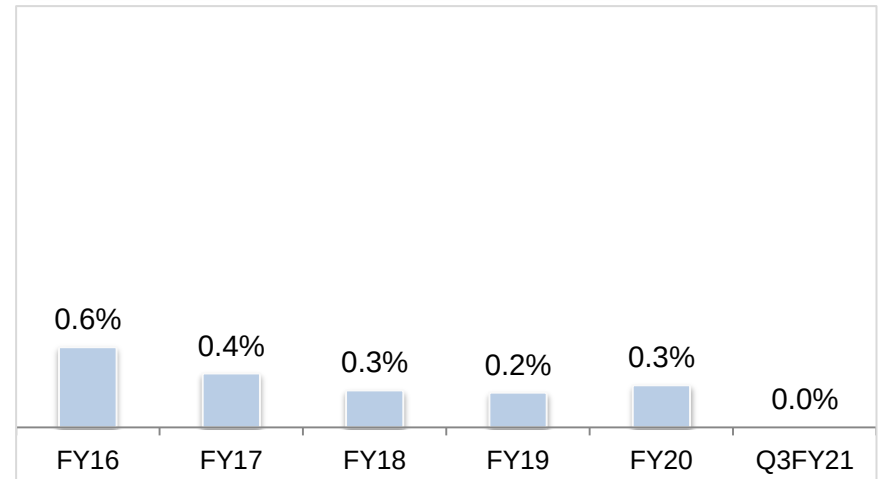
**Onboarding Average Ticket Size (₹ '000s)**



**Boarding Yield (%)**



**Gross NPAs (%)**



## I. Q3FY21 Financial performance

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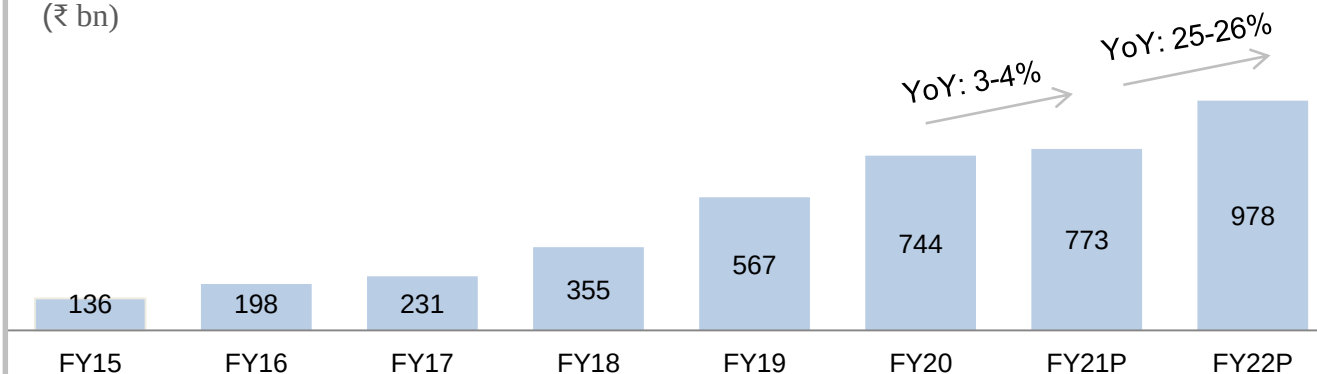
MFI growth is expected to pick up by **25-26%** in FY22

Out of the total disbursement expected in the FY21, **80%** to come in the second half of the year

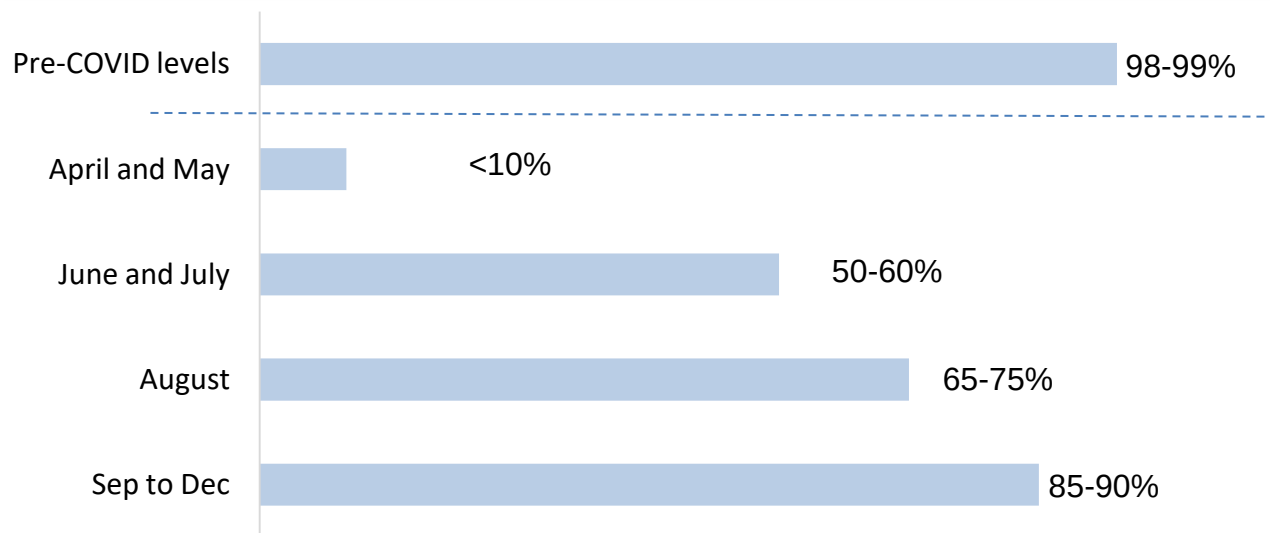
Also, collection efficiency is expected to be back to normal from Q4FY21

## Overall MFI to grow by 25-26% in FY22\*

(₹ bn)



## Pre and Post COVID expected trend in collection efficiency\*



# Microfinance – product overview

## Product offering

- Small-ticket loans for purpose of income generation activities

## Customer segments

- Target segment is rural and semi-urban self-employed women formed into joint liability groups

AUM  
₹ 3,920 Crore

Gross/Net NPAs  
2.2% / 0.0%

States  
17

Total Customers  
15 Lakh

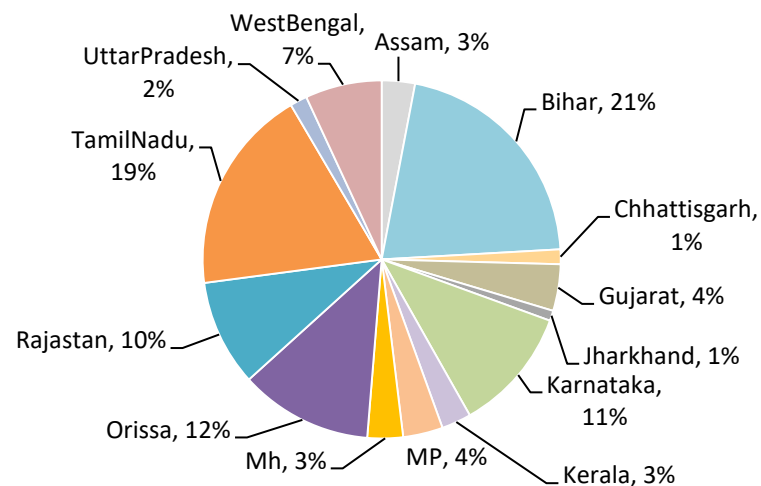
Tenor  
~2 years

93% Collection  
Efficiency  
(Dec'20)

## Key differentiators and controls

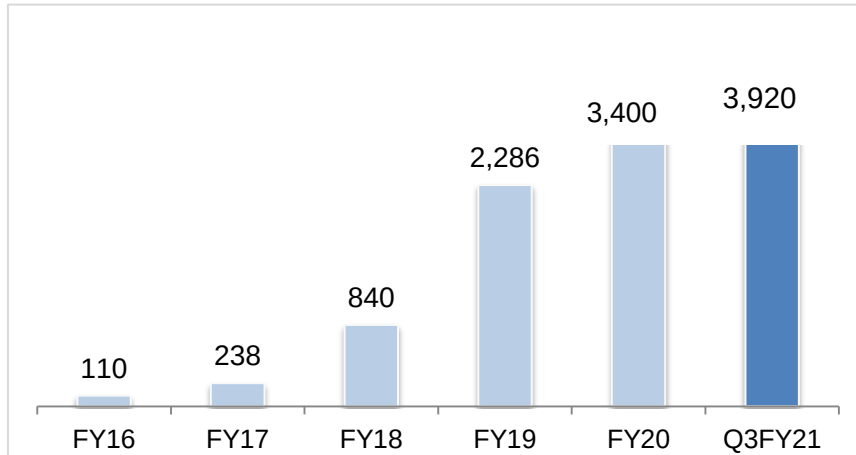
- ✓ Extensive presence in 17 states, 232 districts
- ✓ Strong emphasis on training and awareness of all customers detailing end use of funds, timely repayment and emphasis on joint liability
- ✓ Customer base likely to graduate to larger ticket-sized loans, like gold loans and affordable housing loans
- ✓ 100% credit-linked insurance coverage

## Distribution of AUM as at December 31, 2020

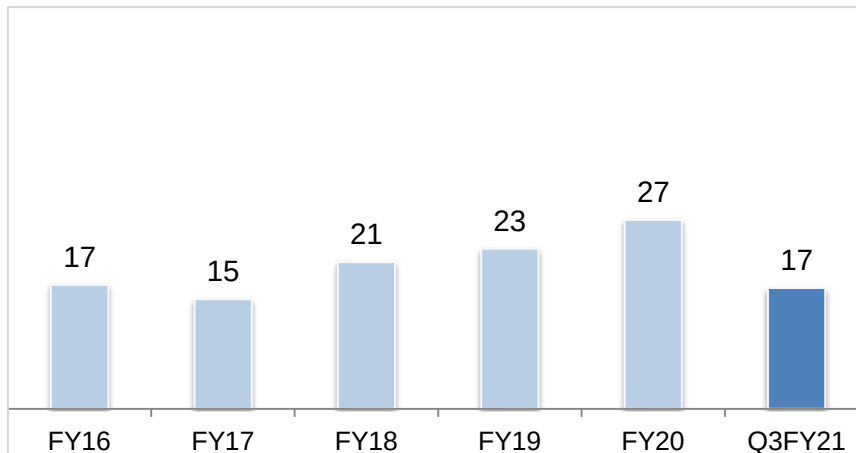


# Microfinance – financial overview

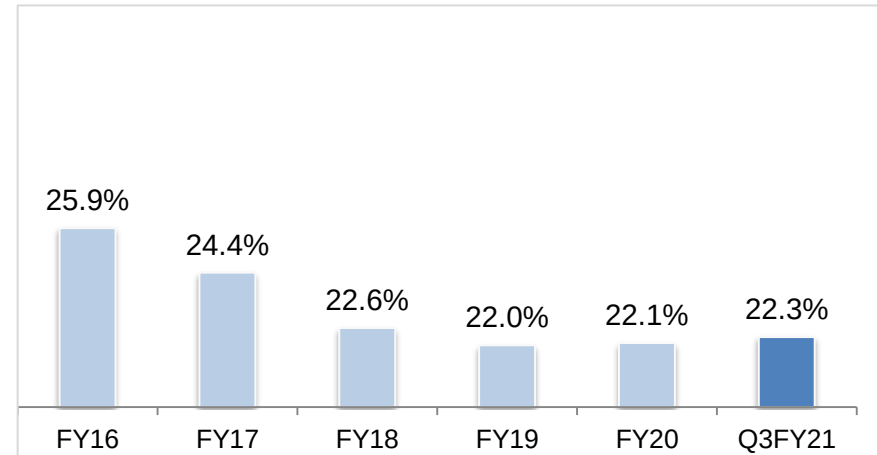
**Assets Under Management (₹ Crore)**



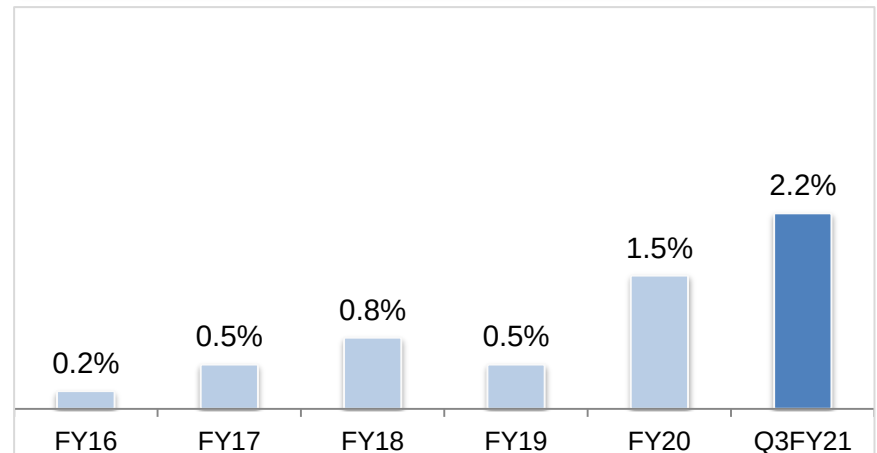
**Onboarding Average Ticket Size (₹ '000s)**



**Boarding Yield (%)**



**Gross NPAs (%)**



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## Transfer of real estate credit assets to an Alternate Investment Fund (AIF)

IIFL Asset Management Limited (IIFL AMC) has executed a binding term sheet with a renowned global alternate investment manager (Investor) for 33.3% contribution by the Investor in the AIF, post due diligence to the satisfaction of the Investor. The AIF will have sponsor's contribution of around 33.3% from IIFL Finance Ltd. The balance contribution in the AIF is expected from other investors. The AIF will have target size of ₹3600 crores for secondary purchase of NCDs of real estate projects and providing additional liquidity for completion of the same.

## Update on CRE projects financed by us

The analysis presented in the ensuing slides, is based on stage of project completion, target income segment of end users, geographical distribution of funded projects and developer track record; covers 48 projects, with total principal outstanding of ₹3,687 Cr as at Q3FY21. It accounts for 85% of IIFL CRE credit exposure. The balance 15% of CRE book is represented by very small projects.

# 93% of finance is for residential projects, and 76% of projects are in advanced stages of completion

| Stage                              | No. of projects | POS as at 31 Dec | % to total  |
|------------------------------------|-----------------|------------------|-------------|
| <b>Residential</b>                 | <b>45</b>       | <b>3,413</b>     | <b>93%</b>  |
| Land stage                         | 1               | 76               | 2%          |
| Approval pending                   | 0               | -                | 0%          |
| Construction in progress           | 36              | 3,057            | 83%         |
| <i>Early stage (Upto 25%)</i>      | 8               | 525              | 14%         |
| <i>Intermediate stage (25-75%)</i> | 18              | 1,968            | 53%         |
| <i>Near completion (&gt; 75%)</i>  | 10              | 564              | 15%         |
| <b>Completed</b>                   | <b>8</b>        | <b>280</b>       | <b>8%</b>   |
| <b>Commercial / Logistics</b>      | <b>3</b>        | <b>274</b>       | <b>7%</b>   |
| <b>Total</b>                       | <b>48</b>       | <b>3,687</b>     | <b>100%</b> |

## Stages of construction

- 76% of funded projects are in advanced stages of completion or are already completed
- 14% of funded projects have commenced construction activities
- 2% of funded projects are at land stage
- Only 7% exposure to commercial / logistics sector
- No exposure to Lease Rental Discounting (LRD)

*Note: Classification in residential and commercial / logistics is basis predominant usage*

## Progress during the quarter:

- 2 projects in Delhi NCR and 1 project in Mumbai MMR have commenced construction activities this quarter.
- One project at Pune at early stage have closed early with full payment from sales.

# Affordable residential projects contribute 75%

| Figs in Cr         | No. of projects | POS as at 31 Dec | % to total  |
|--------------------|-----------------|------------------|-------------|
| <b>Residential</b> | <b>45</b>       | <b>3,413</b>     | <b>93%</b>  |
| <i>Affordable</i>  | 36              | 2,744            | 74%         |
| <i>Mid Income</i>  | 5               | 418              | 11%         |
| <i>Premium</i>     | 4               | 250              | 7%          |
| <b>Commercial</b>  | <b>3</b>        | <b>274</b>       | <b>7%</b>   |
| <b>Total</b>       | <b>48</b>       | <b>3,687</b>     | <b>100%</b> |

## What is the definition of Affordable Residential?

- Projects where unit sales realisation is less than 2 Cr in Mumbai, less than 1 Cr in Delhi, Bengaluru, Kolkata and 0.5 Cr in other non-metro cities
- Similarly Mid Income comprise projects where sales realisation are between 2 – 5 Cr in Mumbai, 1 – 3 Cr in metros and 0.5 Cr to 2 Cr in other cities.

| Price psf    | No. of projects | POS as at 31 Dec | % to total  |
|--------------|-----------------|------------------|-------------|
| <4000        | 17              | 503              | 14%         |
| 4 - 10k      | 14              | 697              | 19%         |
| 10 - 16k     | 1               | 335              | 9%          |
| 16 - 22k     | 9               | 1,591            | 43%         |
| 22 - 28k     | 2               | 210              | 6%          |
| >28k         | 5               | 351              | 10%         |
| <b>Total</b> | <b>48</b>       | <b>3,687</b>     | <b>100%</b> |

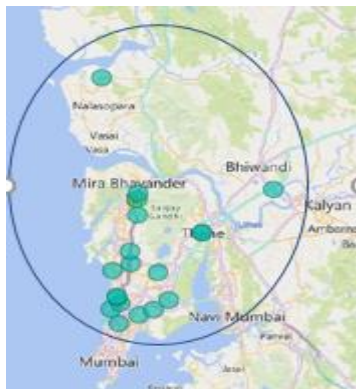
## Key elements of the IIFL RE Corporate Loan Book

- Affordable residential projects contribute 74% of POS
- Mid Income projects contribute 11%
- Premium projects comprise 7% of POS. These projects are in the western suburbs of Mumbai where apartments are compact and prices are in the affordable range

# High velocity suburbs of Mumbai and Gurgaon have 61% of funded projects

## Geography mix

| Figs in Cr      | No. of projects | POS as at 31 Dec | % to total  |
|-----------------|-----------------|------------------|-------------|
| Mumbai          | 15              | 1,815            | 49%         |
| Noida           | 2               | 391              | 11%         |
| Gurgaon         | 2               | 346              | 9%          |
| Delhi           | 9               | 342              | 9%          |
| Pune            | 4               | 199              | 5%          |
| Banglore        | 3               | 197              | 5%          |
| Hyderabad       | 2               | 118              | 3%          |
| Jaipur          | 3               | 95               | 3%          |
| Bhiwandi, Thane | 1               | 79               | 2%          |
| Ghaziabad       | 2               | 37               | 1%          |
| Lucknow         | 2               | 22               | 1%          |
| Greater Noida   | 1               | 22               | 1%          |
| Chennai         | 1               | 19               | 0.5%        |
| Faridabad       | 1               | 5                | 0.1%        |
| <b>Total</b>    | <b>48</b>       | <b>3,687</b>     | <b>100%</b> |



- Mumbai and Gurgaon contribute to 58% of funded projects
- Projects in Mumbai MMR are mainly north of Andheri and hence in affordable residential segment and not high income segment



# 92% of funded developers have more than 10 years of successful track record

## RE Experience of Developers

| No. of years | No. of projects | POS as at 31 Dec | No. of Developers |
|--------------|-----------------|------------------|-------------------|
| 5-9 yrs      | 5               | 280              | 5                 |
| 10-14 yrs    | 10              | 474              | 5                 |
| 15-19 yrs    | 6               | 497              | 7                 |
| 20-24 yrs    | 7               | 940              | 9                 |
| 25-30 yrs    | 7               | 850              | 9                 |
| >30 yrs      | 13              | 645              | 4                 |
| <b>Total</b> | <b>48</b>       | <b>3,687</b>     | <b>39</b>         |

## Relationship with IIFL

| No. of years | No. of projects | POS as at 31 Dec | No. of Developers |
|--------------|-----------------|------------------|-------------------|
| 1-3 yrs      | 7               | 253              | 6                 |
| 4-6 yrs      | 25              | 2,507            | 21                |
| 7-9 yrs      | 16              | 928              | 12                |
| <b>Total</b> | <b>48</b>       | <b>3,687</b>     | <b>39</b>         |

## Sft sold by Developer Group

| Sft sold by Group | No. of projects | POS as at 31 Dec | No. of Developers |
|-------------------|-----------------|------------------|-------------------|
| 0-5 lacs          | 8               | 864              | 7                 |
| 5-10 lacs         | 9               | 1,005            | 8                 |
| 10-15 lacs        | 5               | 232              | 5                 |
| 15-20 lacs        | 7               | 920              | 6                 |
| >20 lacs          | 19              | 665              | 13                |
| <b>Total</b>      | <b>48</b>       | <b>3,687</b>     | <b>39</b>         |

## Track record of Developers

- 92% of POS is funded to developers who have a successful track record of more than 10 years
- 77% of POS is funded to developers who have historically sold more than 5 lac sft
- 93% of POS is funded to developers who have been in touch with IIFL for more than 4 years

**I. Q3FY21 Financial performance**

**II. Business segments review**

**III. Technology, Alliances and other updates**

**i. Technology and Alliances**

**ii. Social impact**

**iii. Corporate and others**

# Strategy driven by technology and partnerships

## Simplified product offerings

Focused, simple products to keep costs low & facilitate rapid scale up

Digital platform

## Self learning platform & data mastery

Open architecture coupled with machine learning ensures flexibility and scale while increasing retention & cross-sell



## Digital Players

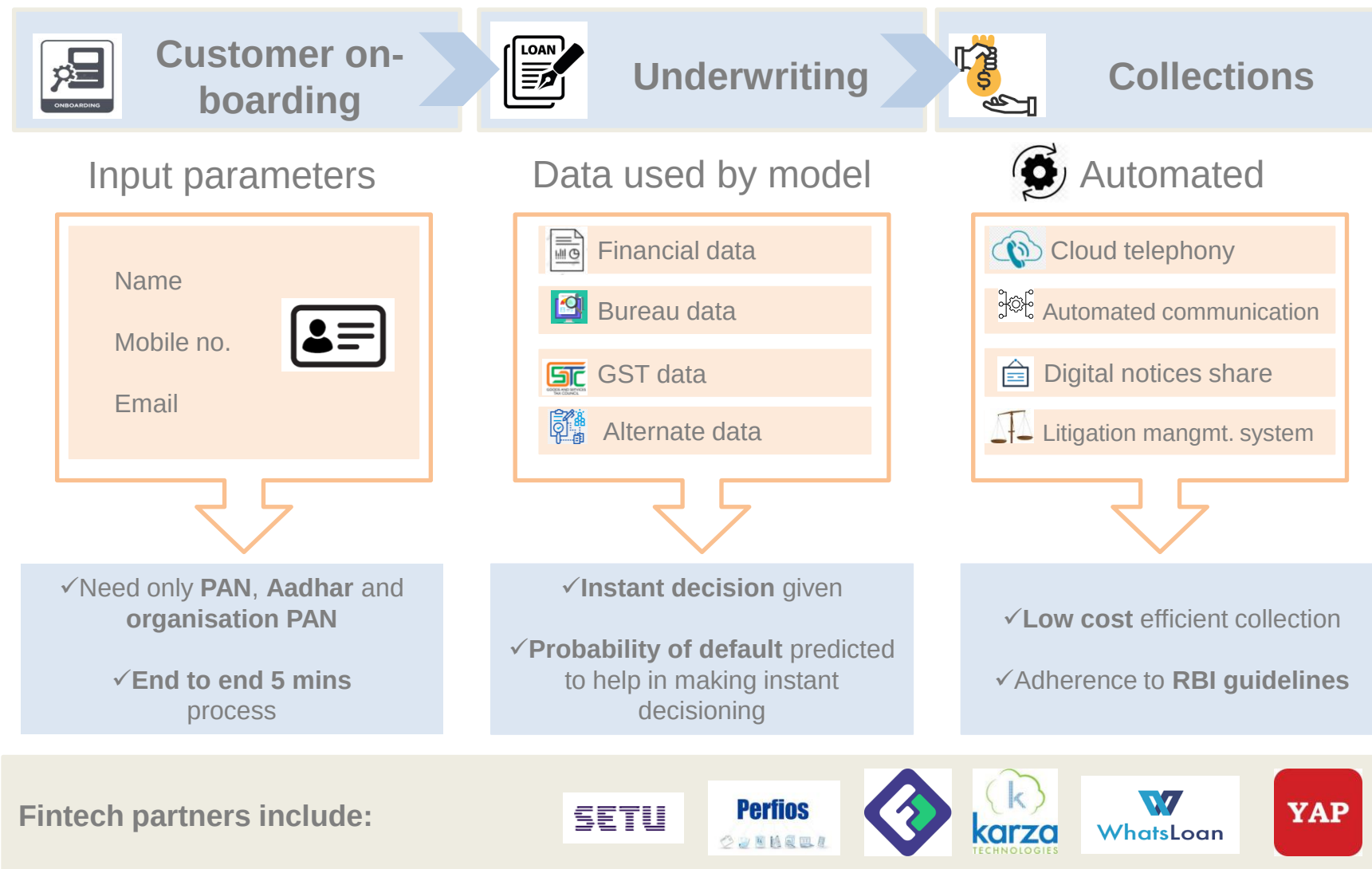
Strategic partnerships with Fintech ecosystem players to harness innovations in our business model

Partnerships

## Banks

Lower risk capital requirements when co-lending with Banks for sustained growth

# Business loans: Complete digital journey



# Home loan mortgages: Digital up selling for quality customer retention

A complete paperless journey with no human touch points

## Pool Selection

Identification of eligible pool through data analytics

## Digital Interface

Customer details fetched from Parent loan

**₹ 10 Cr disbursed  
till 21<sup>st</sup> Jan 2021**

**ATS 3 lakhs**

**Launch Date  
01.01.2021**

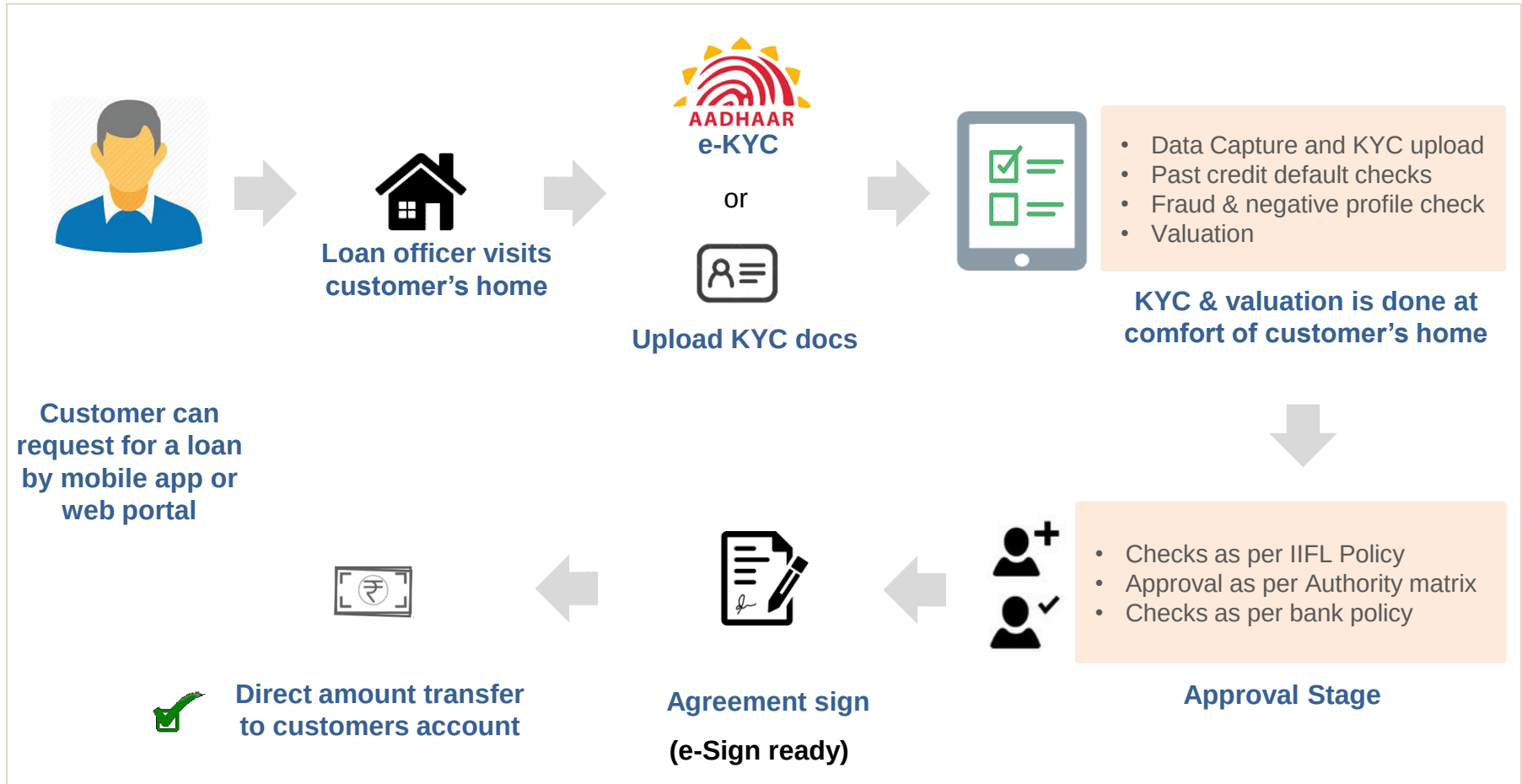
## Customer communication

Link sent to eligible customers through SMS.  
Customer to click the link and accept the Sanction letter and E-agreement

## Auto Disbursal

Auto Disbursal with no manual intervention

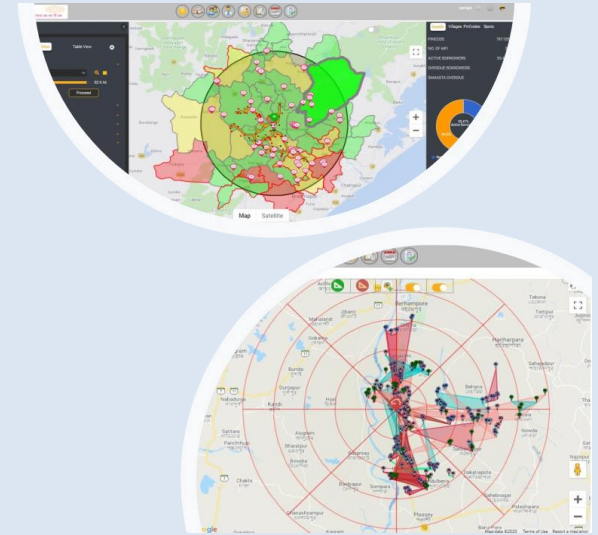
# Gold loans: End to end digital on-boarding, sanction and disbursal



# Microfinance: Key technology initiative

## Geo Analytics

- Spotways - AI based field force automation and geo analytics system
- It gives location based information which provides greater context and perspective to the available data
- It identifies areas for business expansion
- Map BC points and bank branch locations
- Route optimization



## Our technology vision



Enhance managerial and field efficiency through use of appropriate tools and technology

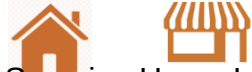


Build a Decision Support System to aid organisational decisions



Develop scalable platforms to manage change and growth in a flexible way

## Our recent partnerships with banks..

|                                       |                                                                                                         |                                                                                                                              |                                                                                                                 |
|---------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| <b>Bank Name</b>                      |                        |                                           |                              |
| <b>Product</b>                        | <br>Sourcing Gold Loan | <br>Sourcing Home Loan<br>& Business Loan | <br>Co-lending Business Loan |
| <b>Nature of agreement</b>            | Sourcing Servicing<br>arrangement                                                                       | Sourcing Servicing<br>arrangement                                                                                            | Co-Lending agreement                                                                                            |
| <b>Funding by Partnering<br/>bank</b> | 100%                                                                                                    | 100%                                                                                                                         | 80%                                                                                                             |
| <b>Services offered by us</b>         | All services from sourcing to<br>collection and closure;<br>including auction and<br>storage of gold    | All services from sourcing to<br>collection of loans                                                                         | All services from sourcing to<br>collection of loans                                                            |
| <b>Credit Policy</b>                  | Mutually accepted policy                                                                                | Mutually accepted policy                                                                                                     | Mutually accepted policy                                                                                        |

The above agreements are a win-win partnership for both IIFL Finance as well as the banks:

- Banks will be able to improve their reach to Tier 2 / Tier 3 cities by leveraging existing network of NBFC's
- NBFCs can increase their customer base without the need for regular fundraising
- Informal segment borrower will get access to cheaper source of funds

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IIFL is firmly committed to support economic activity and financial inclusion through its loan offerings while adapting to changes in the external environment.

**100,000+** loans to  
**first-time** home buyers

**42,900+** families  
benefitted under **CLSS**

**1,000+ Cr.** **subsidy**  
provided till date

**33,000+** loans given to  
the **informal segment**

**60%** loans given to  
**female** owners/co-owners

**53%** loans given in **non-**  
**metro** cities

# IIFL Home Finance contribution to Environment Sustainability-

## Green affordable housing impact by green value partners



- Pioneered Green Building concept in partnership with housing developers through "**Kutumb**" platform
- It provides industry experts and housing developers, a platform to promote sustainable infrastructure. The benefits of Green buildings are - with usage of sustainable raw materials, green buildings help protect biodiversity and ecosystem. It further allows reduced carbon footprint, cost efficient structures and better health of residents.

### IGBC preliminary certified / certified projects under management – 7398 units

17

*Projects registered with IGBC and GRIHA Green Certification Agencies*

1

*Project received final certification*

8

*Projects preliminary certified*

8

*Projects under Pre-Registration*

**5,049  
MWH p.a.**



ENERGY SAVINGS

**2,91,629  
KL p.a.**



WATER SAVINGS

**4,140.29  
Tonnes p.a.**



EMISSION SAVINGS

Total number of units  
funded by  
IIFL Home Loans  
(IGBC & GRIHA  
certified)  
**2,900+**

### Target Impact Through Kutumb (March 2023):

200

RESIDENTIAL  
PROJECTS

~54,00,000

SQUARE  
METERS

60,000

UNITS  
CERTIFIED

Microfinance & Retail business loans are for income generating activities

**88%** of these benefited customers stay in the **rural area** of the country

**15.6 lakhs+** families benefited in **17 states** with financial intervention

**10,000+** of dairy farmers supported through 9 cattle health centres in 4 States

Supports **self-employed women** in under-served rural areas

**44%** of MSME loans are of **less than ₹10 lakhs ATS**

**80%** First time borrowers from **informal sector**

Gold loans are essentially small-ticket business loans

**67%** of gold loan are of **less than ₹ 50,000 value**

**64%** of the branches are located in **tier II, III cities and rural areas**

**87%** of loans are towards end use that classify as **PSL for banks**

**73%** of loans given to **small businesses**

**Digital top-up, renewal and doorstep facility** for convenience of borrowers

**Instant hassle free loans** ensure easy access to credit for underserved segments

**I. Q3FY21 Financial performance**

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# Distinguished Board of Directors

## IIFL Finance – Board of Directors



**Nirmal Jain**, Chairman & Whole-time Director

- MBA from IIM Ahmedabad, rank-holder CA and ICWA.
- Worked with HUL for 5 years
- Founded and led IIFL since 1995



**R Venkataraman**, Managing Director

- MBA from IIM Bangalore, B-Tech from IIT Kharagpur
- Worked with ICICI Bank, Barclays, GE Capital
- Co-founder of IIFL



**Chandran R**, Non-Executive Director

- Managing Director, Hamblin Watsa Investment Counsel Ltd.
- Director & CEO, Fairfax India Holdings Corp.
- MBA from University of Toronto, B. E from IIT Madras



**Nagarajan Srinivasan**, Non-Executive Director

- Head of South Asia, CDC Advisers
- More than 30 years of investing and financial services experience



**V. K. Chopra**, Independent Director

- Chartered Accountant and Former Whole-Time Member, SEBI
- Former Chairman & MD - Corporation Bank and SIDBI



**A K Purwar**, Independent Director

- Chairman of Tadas Wind Energy Private Limited & Eroute Technologies Private Limited
- Former Chairman, State Bank of India



**Nilesh Vikamsey**, Independent Director

- Senior Partner at Khimji Kunverji & Co
- Past President of The Institute of Chartered Accountants of India



**Geeta Mathur**, Independent Director

- Co-chair for the India Chapter of Women Corporate Directors Foundation
- Chartered Accountant with over 20 years of experience as a Finance professional

## Management team with rich domain experience

### IIFL Finance

|                         |                    |
|-------------------------|--------------------|
| Chief Financial Officer | Rajesh Rajak       |
| Chief Risk Officer      | Sanjeev Srivastava |
| Compliance Officer      | Sneha Patwardhan   |

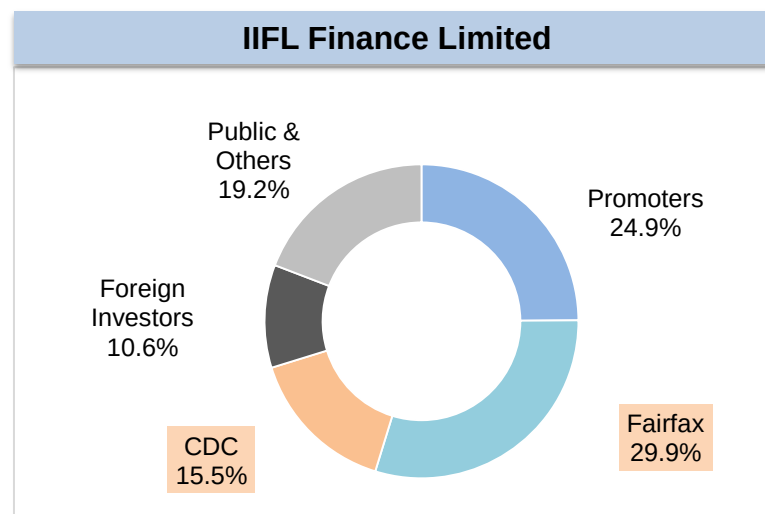
### IIFL Home Finance

|                         |                   |
|-------------------------|-------------------|
| Chief Executive Officer | Monu Ratra        |
| Chief Financial Officer | Amit Gupta        |
| Chief Risk Officer      | Abhishikta Munjal |
| Treasurer               | Govind Modani     |

### Samasta Microfinance

|                         |                |
|-------------------------|----------------|
| Chief Executive Officer | N. Venkatesh   |
| Chief Financial Officer | Anantha Kumar  |
| Chief Risk Officer      | Sabari Krishna |

## Marquee investors



Note: Shareholding pattern as at December 31, 2020

- As a responsible corporate, IIFL Finance aims to deliver sustainable growth through financial products and services that help satisfy unmet societal needs, enable a thriving society, conserve environment and create long-term value for all
- The Company has a dedicated ESG committee which meets quarterly to discuss a range of ESG issues that aim to drive the Company's values and impact
- Marquee investors CDC have representation at the ESG committee and they continue to guide us with their rich, global experience in driving ESG initiatives.

## Operational principles of Board approved ESG policy

**Compliance** to  
environmental and social  
safeguards

**Environmental protection**  
and resource efficiency

**Adherence** to Fair  
Practice Code

**Good working conditions**

Community **Health, Safety**  
and **Security**

**Borrower Protection** and  
Education

# Sample CSR projects

## Sakhiyon ki Badi (Rajasthan)

IIFL Foundation's Sakhiyon ki Badi are community based learning centers operating across 11 districts of Rajasthan, aiming towards eradication of Female Illiteracy. This flagship initiative of IIFL Foundation regained its operation during the unlock phase from June 2020. The team members followed safety guidelines issued by the Government and continued their engagement with the communities.

| Centres | Districts | #Girls | #Boys |
|---------|-----------|--------|-------|
| 986     | 11        | 35,819 | 3,030 |



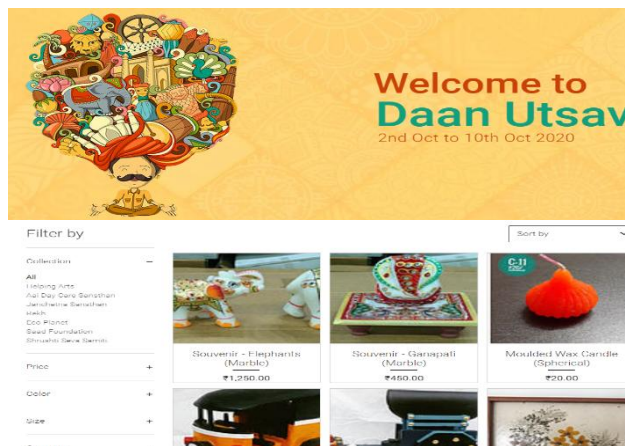
## Chauras

Chauras is a learning centre cum crèche for children of migrant construction site workers. The centre is slowly regaining its operation in former momentum, as the lockdown opens up and the labourers return to the sites.



## ë mela (Daan Utsav)

IIFL Foundation launched an unique online platform to support artisans, craftsmen and small scale producers across the country, to resurrect their livelihood in the post-lockdown phase. An online website - daanutsav.iifl.com, offering a platform for NGOs, Self Help groups and community based groups to showcase and sell their products directly to customers across india. The services of the platform were offered 'free of cost' to the participants.



## Artificial Insemination (AI)

Through Artificial Insemination project, IIFL Foundation has supported farmers from low income groups to venture and progress in the vertical of Dairy production. This Livestock Development project is operational in 3 states across India – Rajasthan, Karnataka and Tamil Nadu, with a total of 7 AI centres.

# Thank you

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**DISCLAIMER:** IIFL Finance Limited (Formerly known as IIFL Holdings Limited), subject to market conditions and other considerations is proposing a public issue of secured and/or unsecured, redeemable non-convertible debentures and has filed the Draft Shelf Prospectus dated June 30, 2020 (“Draft Shelf Prospectus”) with BSE Limited, National Stock Exchange of India Limited, and SEBI. The Draft Shelf Prospectus is available on our website [www.iifl.com](http://www.iifl.com), on the website of the stock exchanges [www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com), on the website of SEBI - [www.sebi.gov.in](http://www.sebi.gov.in) and the respective websites of the lead managers at [www.edelweissfin.com](http://www.edelweissfin.com), [www.iiflcap.com](http://www.iiflcap.com) and [www.equirus.com](http://www.equirus.com). Investors proposing to participate in the Issue, should invest only on the basis of the information contained in the Draft Shelf Prospectus. The unsecured, redeemable, non-convertible debentures shall be eligible for Tier II capital. Investors should note that investment in NCDs involves a high degree of risks and for details relating to the same, please refer to Draft Shelf Prospectus including the section on “Risk Factors” beginning on Page 22 of the Draft Shelf Prospectus.