



October 23, 2019

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

Sub: Press Release and presentation on Unaudited Financial Results

We enclose herewith the press release and presentation on the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2019, as follows:

1. Press Release issued by the Company on the Unaudited Financial Results – Annexure 1.
2. Presentation on Unaudited Financial Results- Annexure 2.

Kindly take above on record and oblige.

Thanking You,
Yours faithfully,

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



**Gajendra Thakur
Company Secretary & Compliance Officer**

*Email Id: csteam@iifl.com
Encl: as above*

**IIFL Finance Limited (formerly known as IIFL Holdings Limited)
CIN No.: L67100MH1995PLC093797**

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IIFL Finance Limited (formerly “IIFL Holdings Limited”)

Press Release

For immediate publication

Mumbai, India

October 23, 2019

Results update
India Infoline Finance Limited Results
-Profit after tax for Q2FY20 at ₹173 Cr (up 8% y-o-y) and H1FY20 at ₹354 Cr (down 1% y-o-y)
-Income[#] for Q2FY20 at ₹590 Cr (up 10% y-o-y) and H1FY20 at ₹1,201 Cr (up 8% y-o-y)
For the quarter and half year ended September 30, 2019 (Q2FY20, H1FY20), Consolidated results as per IND AS are:

- Profit after tax stood at ₹173 Cr for the quarter, up 8% y-o-y, and ₹354 Cr for the half year, down 1% y-o-y
- Consolidated income stood at ₹590 Cr for the quarter, up 10% y-o-y and ₹1,201 Cr for the half year, up 8% y-o-y
- Loan assets under management in the NBFC business stood at ₹35,007 Cr, up 9%** y-o-y

India Infoline Finance Limited Results: Consolidated – Q2FY20 and H1FY20

₹Crore	Quarter ended September 30, 2019	Quarter ended September 30, 2018	Y-O-Y	Half Year ended September 30, 2019	Half Year ended September 30, 2018	Y-O-Y
Income [#]	589.9	538.6	10%	1,200.6	1,114.8	8%
Profit Before Tax	218.1	234.8	(7%)	475.1	534.8	(11%)
Total Comprehensive income	74.7	160.8	(54%)	255.9	356.5	(28%)
TCI excluding one off item*	173.0	160.8	8%	354.2	356.5	(1%)

IIFL Finance Limited Results as reported: Consolidated – Q2FY20

₹Crore	Quarter ended September 30, 2019	Quarter ended September 30, 2018	Y-O-Y
Income [#]	552.8	543.5	2%
Profit Before Tax	218.2	234.2	(7%)
Total Comprehensive Income (Post-Minority)	61.6	135.1	(54%)
TCI (Post-Minority) excluding one off item*	144.7	135.1	7%

#Income is net of interest expenses

*one off item is one time reversal of deferred tax asset

**on ex- CV basis

Mr. Nirmal Jain, Chairman, IIFL Finance Ltd., commented on the financial results: “Our strategy of ‘Retail Lending Digital Delivery’ has worked well in the recent turbulent times. Notwithstanding transient slowdown in the economy and liquidity squeeze for the sector, we are sanguine about the long term future of our business. Therefore, we continue to invest in expanding the network of branches. We have maintained robust growth in our core products.”

India Infoline Finance had loan assets under management of Rs 35,007 Cr as at September 30, 2019, with the home loans segment constituting 35%, business loans 23%, gold 20% and microfinance 8% of the total AUM.

The company had a widespread presence of 2,309 branches as at the end of the quarter, spanning the length and breadth of the country.

The company's ROE for Q2FY20 stood at 15.5% and ROA was 2.3%. Average borrowing costs increased by 72 bps y-o-y to 9.4% and Net Interest Margin was at 8.1% for the quarter.

87% of our loans are retail in nature and 44% are PSL compliant. The assigned loan book, currently at Rs10,100 Cr, is 29% of AUM. There exists significant opportunity for further assignment, given our granular and retail book.

GNPA stood at 2.5% and NNPA stood at 1.5%, as at September 30, 2019. With implementation of Expected Credit Loss under IndAS, provision coverage on NPAs stands at 94% including standard asset coverage.

Capital adequacy: Total CAR stood at 21.9% including Tier I capital of 18.2% as at September 30, 2019, as against statutory requirement of 15% and 10% respectively.

Home Loans

At the end of the quarter, retail home loan assets stood at Rs 12,256 Cr. The primary focus in this segment is on affordable and non-metro housing loans. About 33,000 customers were benefitted with a subsidy of about Rs 737 Cr under the Pradhan Mantri Awas Yojana – Credit Linked Subsidy Scheme.

Gold Loans

As of September 30, 2019 the gold loans AUM grew to Rs 6,887 Cr, showing a strong growth of 38% y-o-y. 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 87% y-o-y to Rs. 2,709 Cr as at September 30, 2019. The MFI customer base increased to over 12 lakh customers.

Credit Rating

The company has maintained its long-term credit rating of AA (Stable) from CRISIL and ICRA

Comfortable liquidity position

During the quarter, Rs. 300 Cr. was raised through the on-lending route with banks. The Company successfully raised Rs. 244 Cr. from tranche 2 of public issue of bonds. CRISIL has rated the instrument as AA/Stable, which indicates that the instruments are considered to have a high degree of safety for timely servicing of financial obligations and carry very low credit risk. Also, the company raised USD 100 million (LIBOR+180bps) 5-year External Commercial Borrowing through Export Development Canada (EDC) in July 2019.

Mr. Sumit Bali, CEO, India Infoline Finance Ltd., commented on the financial results: “We are monitoring asset quality very carefully. Economic slowdown has contributed to slight slippage in delinquent assets, we are confident of getting the same under control in the second half of the current financial year. For core products, NPA on AUM are at similar levels as compared to previous quarters, but securitized assets have lower NPA. We expect liquidity to improve and cost of funds to head southward in the next two quarters.”

Group reorganization

Further to all regulatory and NCLT approvals, the re-organization of IIFL Group have been effected from May 13, 2019, except the merger of India Infoline Finance Limited with the Company. Pursuant to this, the subsidiaries -IIFL Wealth and IIFL Securities, have been demerged from the Company and were listed on Stock Exchanges on 18th and 19th September 2019, respectively.

Awards and Accolades received in Q2FY20:

- IIFL Finance won the “Best Fintech NBFC of the Year Award” at the India NBFC Excellence Awards 2019 presented by INDIA NBFC SUMMIT & AWARDS 2019
- IIFL Finance received Tata Institute of Social Sciences and LeapVault Award for 'Best on the Job Training Program' at Chief Learning Officers Summit in Mumbai
- Insights Success magazine ranked IIFL Finance as India's most trusted Non-Banking Financial Company (NBFC) in a select list of top 10 NBFCs to watch in 2019
- IIFL Finance received the award for “Leadership in Customer Service in Financial Services Sector” at The 7th Edition of World Quality Congress & Awards
- IIFL Finance has been awarded “Great Place to Work” certification for the year 2019 -2020

About IIFL

IIFL Finance Limited (Erstwhile “IIFL Holdings Limited”) (Bloomberg Code: IIFL IN, NSE: IIFL, BSE: IIFL) 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 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 Limited is a first generation venture which started as a research firm in 1995. IIFL Finance Limited was a pioneer in the retail equity broking industry with its launch of 5paisa trading platform which offered the lowest brokerage in the industry and freedom from traditional ways of transacting. IIFL’s evolution from an entrepreneurial start-up in 1995 to a full range diversified financial services group is a story of steady growth by adapting to the dynamic business environment, without losing focus on its core domain of financial services.

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 about 30 lakh customers. IIFL Finance has widened its pan-India reach through extensive network of branches spread across the country and various digital channels.

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 ended September 30, 2019, are available under the ‘[Investor Relations](#)’ section on our website www.iifl.com.

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

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Quarterly Performance Review

For the quarter ended September 30, 2019

India Infoline Finance Limited

Subsidiary of IIFL Finance Limited



October 23, 2019

Highlights for the Quarter

- Loan AUM stood at ₹35,007 Cr, a marginal growth of 9% y-o-y, however core segments of Home Loans, Gold loans and Microfinance have posted strong growth of 16%, 38% and 87% y-o-y respectively.
- 199 new branches were added in this quarter, taking the total to 2,309, employee strength grew to 18,523, and customer base grew to 27 Lakh. Cost to Income ratio stood at 53% for the quarter, a marginal expansion over the previous quarter due to continuing expansion of branches and allied infrastructure.
- 87% of our portfolio comprises granular, small ticket loans. The average ticket size for our core segments Home, Business, Gold and Microfinance stood at 20L, 15L, 53K, and 20K respectively.
- Majority of our portfolio including 59% of home loans, 48% of business loans and 93% of microfinance loans are priority sector eligible assets.
- Annualized Return on Equity stood at 15.5% and annualized Return on Assets sustained at 2.3% for the quarter.
- Exposure to commercial paper funding was reduced to only ₹25 Cr for the quarter, and long-term loans raised in the period amounted to ₹1,723 Cr.
- Total Capital Adequacy Ratio stood at 21.9% including Tier I capital of 18.2%, against statutory requirement of 15% and 10% respectively.
- Liquidity profile remained robust, with a surplus across all buckets; and undrawn credit lines as at the end of the quarter amounted to ₹2,229 Cr.

I: Performance Overview

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India Infoline Finance – Consolidated results (as per IND AS)



Quarter ended September 2019 (NBFC, HFC and MFI)

₹ Cr	Q2FY20	Q2FY19	Y-o-Y	Q1FY20	Q-o-Q	H1FY20	H1FY19	Y-o-Y
Loan book	24,907	28,119	(11%)	25,792	(3%)	24,907	28,119	(11%)
Assigned assets	10,100	3,924	157%	9,128	11%	10,100	3,924	157%
Assets under management*	35,007	32,043	9%	34,920	0%	35,007	32,043	9%
Interest income	1,083.8	1,165.7	(7%)	1,157.0	(6%)	2,240.8	2,260.2	(1%)
Less: Interest expense	581.3	660.4	(12%)	615.6	(6%)	1,196.9	1,275.9	(6%)
Net Interest income	502.5	505.3	(1%)	541.4	(7%)	1,043.9	984.3	6%
Other income	87.4	33.3	162%	69.2	26%	156.7	130.6	20%
Total income	589.9	538.6	10%	610.7	(3%)	1,200.6	1,114.8	8%
Less: Operating expense	312.2	279.8	12%	319.9	(2%)	632.2	528.0	20%
Less: Loan losses & provision	59.6	24.1	147%	33.7	77%	93.3	52.1	79%
Profit before tax	218.1	234.8	(7%)	257.0	(15%)	475.1	534.8	(11%)
Less: Provision for tax	32.4	72.4	(55%)	81.7	(60%)	114.1	177.6	(36%)
Profit after tax	185.7	162.4	14%	175.3	6%	361.0	357.3	1%
Less: One time impact of reversal of deferred tax asset	98.3					98.3		
Profit after tax after one-off items	87.4	162.4	(46%)	175.3	(50%)	262.7	357.3	(26%)
Other Comprehensive Income	(12.7)	(1.6)		5.9		(6.8)	(0.7)	
Total Comprehensive Income (TCI)	74.7	160.8	(54%)	181.2	(59%)	255.9	356.5	(28%)
TCI (excluding one-off items)	173.0	160.8	8%	181.2	(4%)	354.2	356.5	(1%)

*Excludes CV business AUM of Rs 4331 Cr in Q2FY19 and H1FY19. The business was divested in Q4FY19

India Infoline Finance – Consolidated Balance Sheet



Quarter ended September 2019 (NBFC, HFC and MFI)

		₹ In Crs			₹ In Crs
ASSETS		As at	LIABILITIES AND EQUITY		As at
		Sep 30 2019			Sep 30 2019
		Unaudited			Unaudited
1	Financial Assets		1	Financial Liabilities	
(a)	Cash and cash equivalents	1,419.0	(a)	Derivative financial instruments	36.8
(b)	Bank Balance other than (a) above	1,180.2	(b)	Payables	100.1
(c)	Derivative financial instruments	15.0	(c)	Financial Lease Obligation	274.1
(d)	Receivables	641.3	(d)	Debt Securities	5,620.6
(e)	Loans	25,293.5	(e)	Borrowings (Other than Debt Securities)	15,656.3
(f)	Investments	174.6	(f)	Subordinated Liabilities	1,577.5
(g)	Other Financial assets	283.3	(g)	Other financial Liabilities	2,021.8
2	Non-Financial Assets		2	Non-Financial Liabilities	
(a)	Current tax assets (Net)	176.0	(a)	Current tax liabilities (Net)	18.8
(b)	Deferred tax Assets (Net)	160.6	(b)	Provisions	52.3
(c)	Investment Property	261.5	(c)	Other non-financial liabilities	104.1
(d)	Property, Plant and Equipment	113.4			
(e)	Capital work-in-progress	7.2	3	Equity	
(f)	Right to use assets	266.9	(a)	Equity and Share Capital	280.9
(g)	Other Intangible assets	1.8	(b)	Other Equity	4,293.0
(h)	Other non-financial assets	47.3	(c)	Non-controlling interest	5.3
	Total Assets	30,041.5		Total Liabilities and Equity	30,041.5

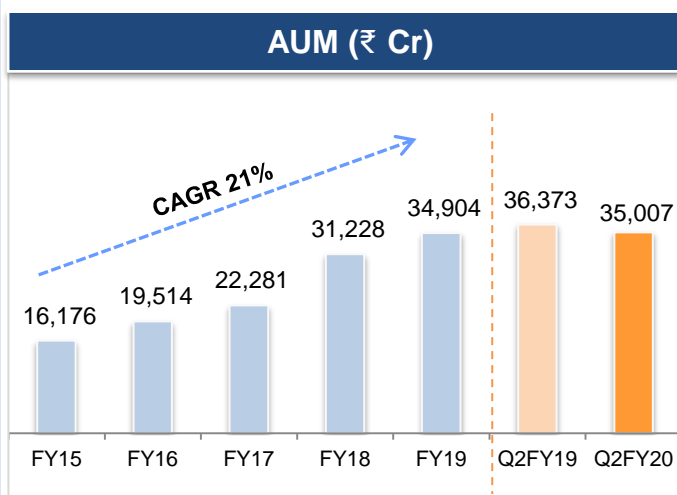
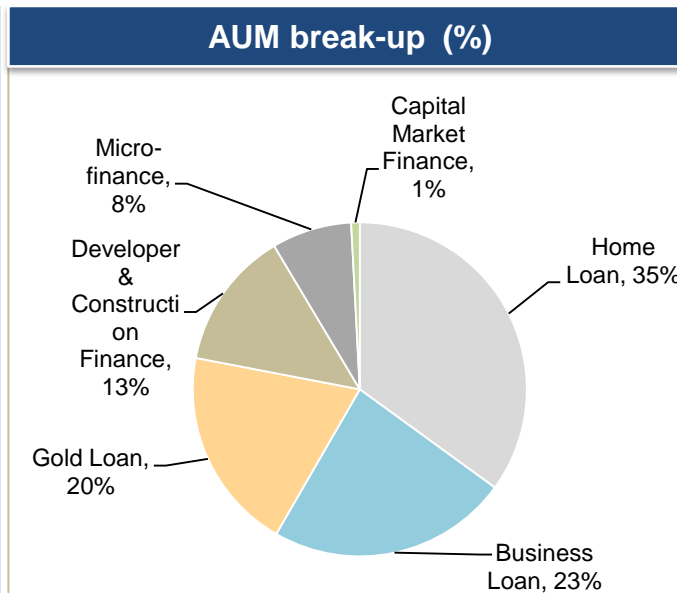
Sharper focus on small ticket retail loans

Quarter ended September 2019

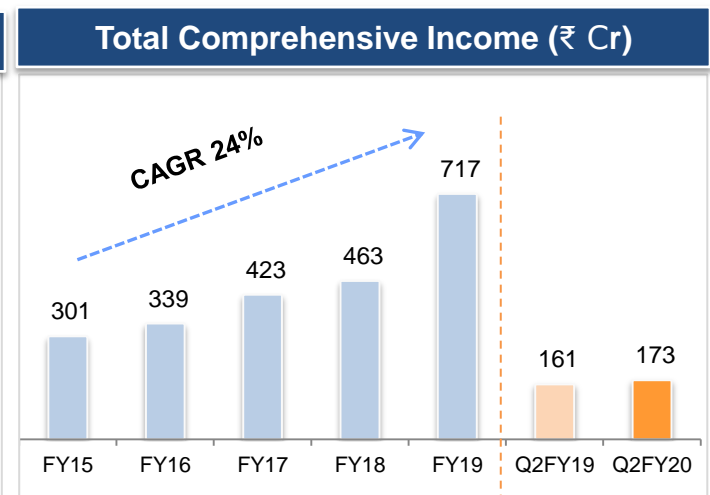
- Loan assets growth driven by small ticket retail home loans, gold loans and micro-finance loans

- On the other hand, Developer & construction finance and capital market loans have declined both on q-o-q and y-o-y basis.

- IIFL Home Finance is a leading player in affordable home loans, eligible for PMAY-CLSS subsidy



AUM (₹ Cr)	Q2FY20	Y-o-Y	Q-o-Q
Home Loans	12,256	16%	(1%)
Business Loans	8,167	(7%)	(2%)
Developer & Construction Finance	4,698	(10%)	(4%)
Gold Loans	6,887	38%	5%
Capital Market Finance	290	(70%)	(28%)
Microfinance	2,709	87%	15%
Total	35,007	9%	0.3%



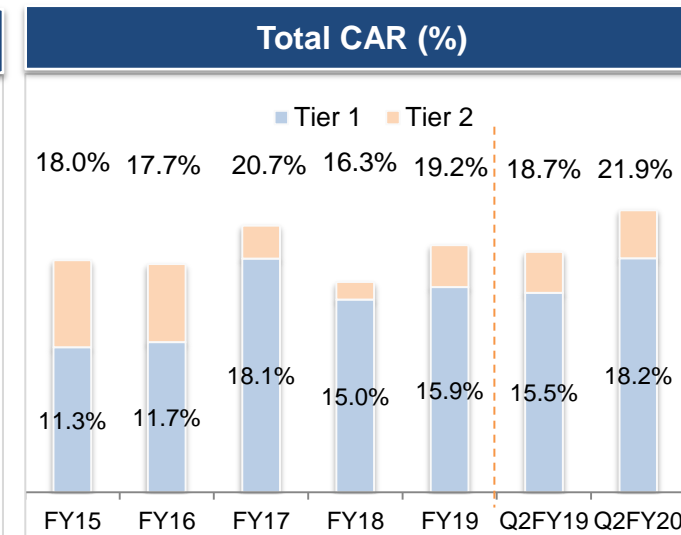
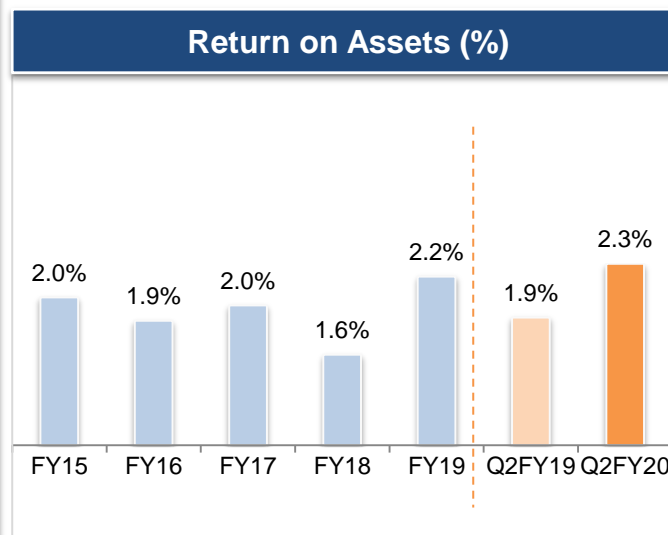
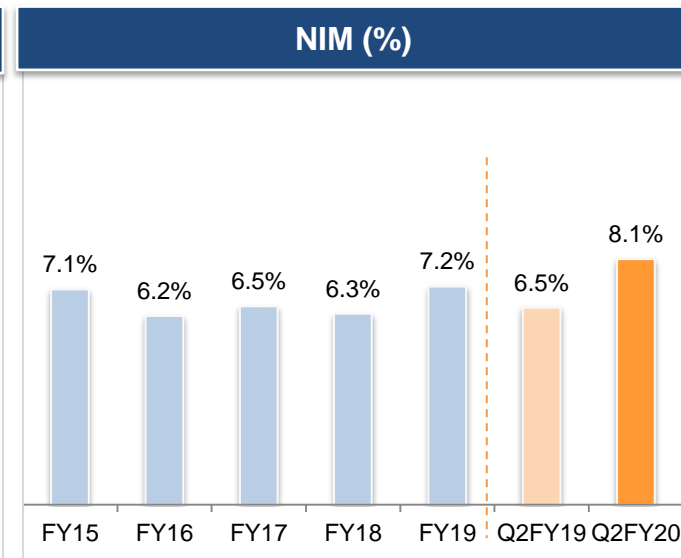
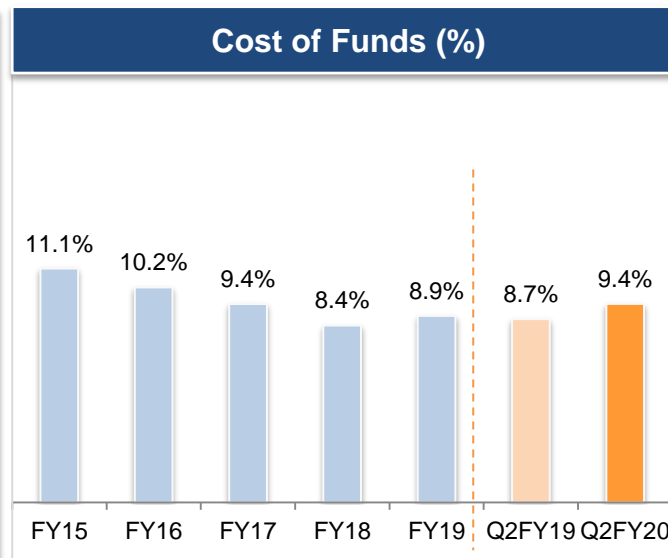
Notes

- Business Loans includes LAP, SME and Digital Finance
- FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP
- TCI for Q2FY20 excludes one off adjustment of Deferred Tax Asset reversal

Funding costs rise, boarding yields rise in tandem

Quarter ended September 2019

- Capital adequacy at 21.9%, well above the minimum requirement
- Tier I Capital Adequacy Ratio stands at 18.2% against minimum requirement of 10%
- Average cost of borrowing rose by 16bps q-o-q and 72bps y-o-y
- NIM for Q2FY20 stood at 8.1%
- Annualised ROE, before exceptional item, was 15.5% and ROA was 2.3% for Q2FY20

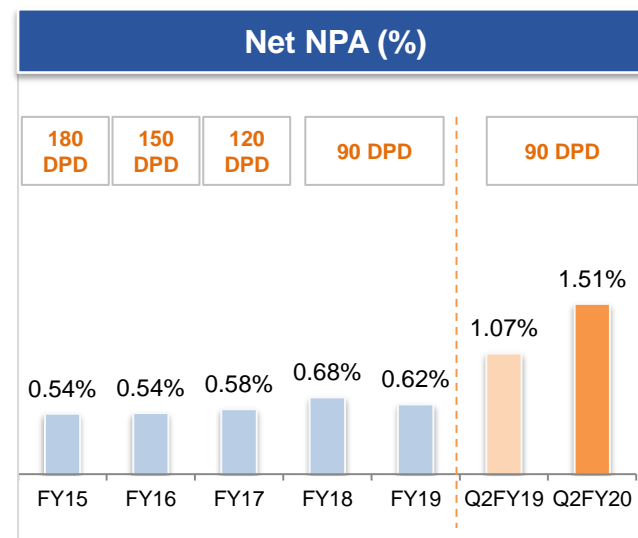
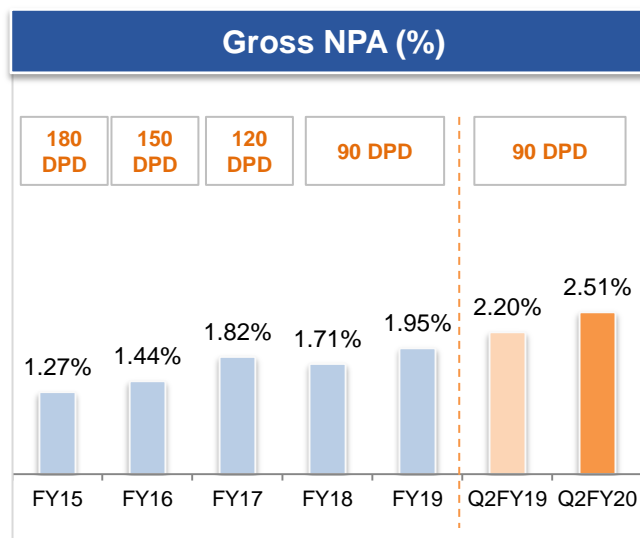


• Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

Through cycles, maintaining superior quality of assets

Quarter ended September 2019

- GNPA as at Q2FY20, was 2.5% and NNPA was 1.5%
- Under Ind AS, provision coverage (incl. standard assets provision) on NPAs was 94%
- 87% of our loans are retail in nature; 59% of home loans, 48% of business loans and 93% of microfinance loans qualify as priority sector loans for banks
- LTV is conservative at 70% for home loans, 62% for gold loans, 49% for business loans and 46% for developer & construction loans



	Portfolio Share	GNPA %	NNPA%	Portfolio Yield %	Portfolio average Ticket Size (₹Lakh)	LTV %
Home Loans	35%	1.4%	1.1%	10.3%	19.0	70%
Developer & Construction Finance	13%	4.8%	3.4%	16.3%	2271.9	46%
Gold Loans	20%	0.7%	0.5%	19.4%	0.5	62%
Capital Market Finance	1%	0.0%	0.0%	13.4%	84.8	51%
Business Loans	23%	4.0%	1.8%	16.8%	15.2	49%
Microfinance	8%	1.0%	0.2%	21.7%	0.2	-
Total	100%	2.5%	1.5%	15.3%		

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

Excluding discontinued HCF business - Overall GNPA stands at 2.2% and NNPA at 1.3%, Business Loans GNPA stands at 2.7% and NNPA at 1.2%

Stable asset quality across products

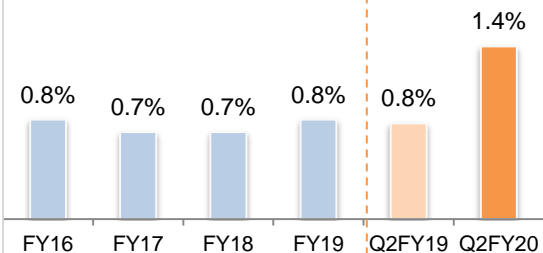
Quarter ended September 2019

Credit quality has been steady across key product segments

Core growth segments

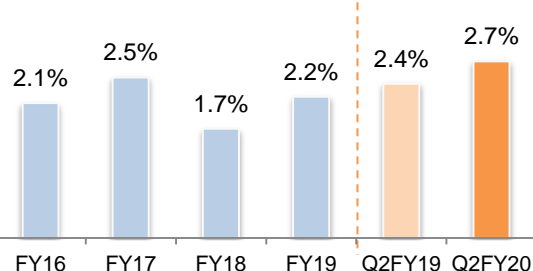
Home loans

Gross NPAs (%)



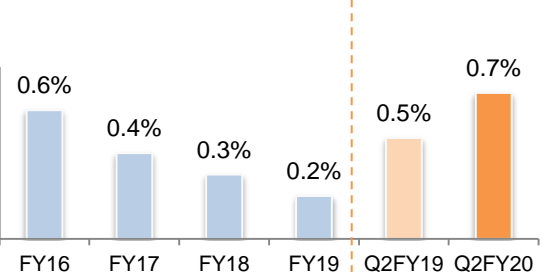
Business loans

Gross NPAs (%)



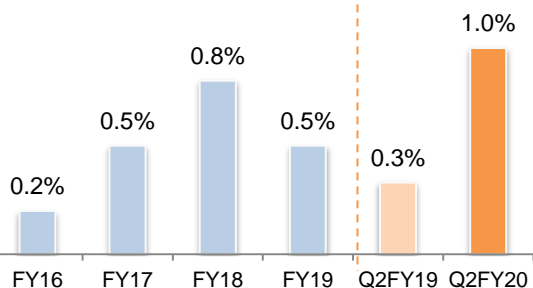
Gold loans

Gross NPAs (%)



Microfinance

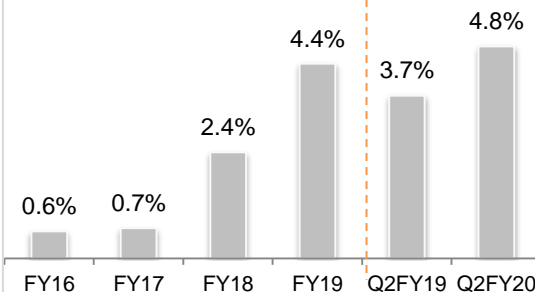
Gross NPAs (%)



Synergistic segments

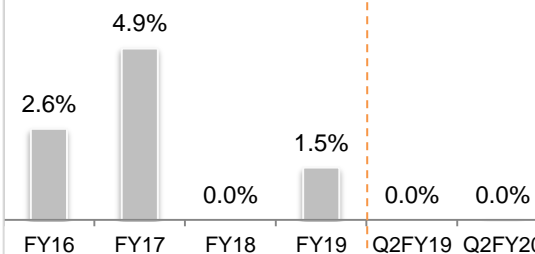
Developer & Construction finance

Gross NPAs (%)



Capital markets finance

Gross NPAs (%)

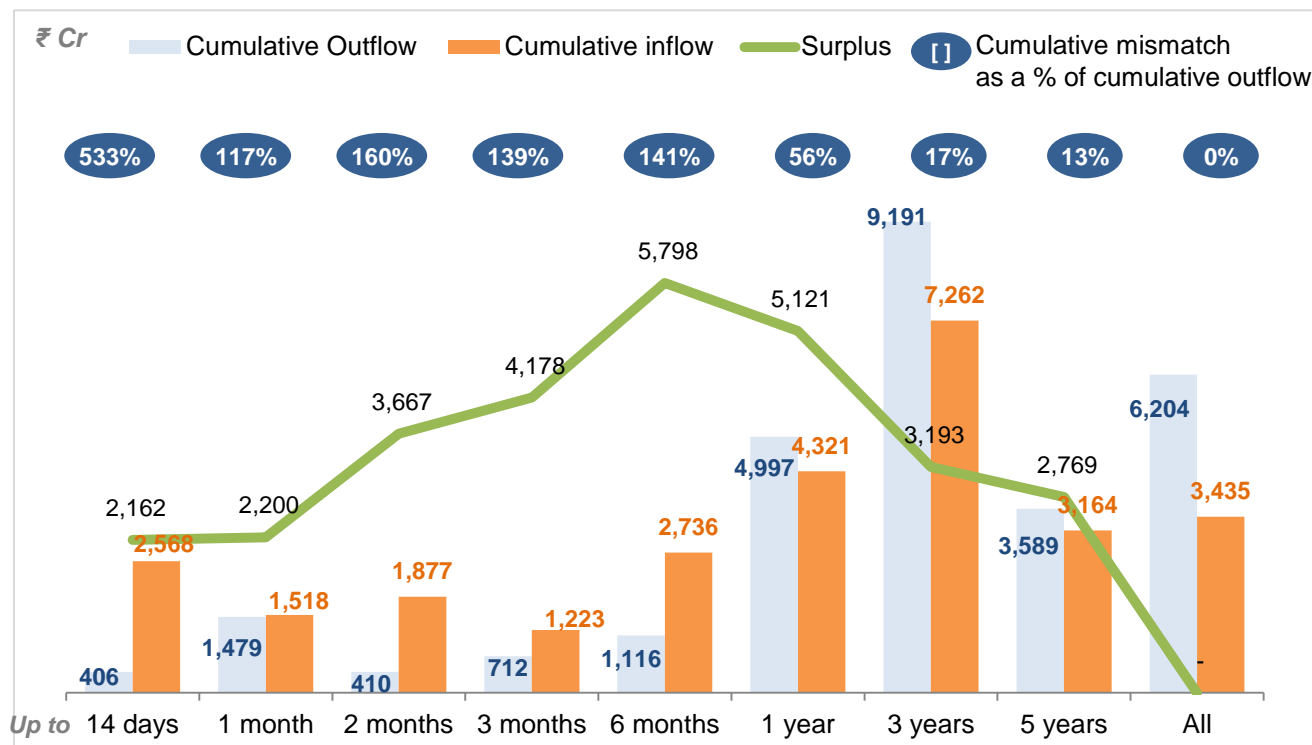


Note:
 (i) Gross NPAs for FY18 onwards are as per IndAS (include securitized assets); other numbers are as per IGAAP
 (ii) Business Loans excludes discontinued HCF business

Comfortable liquidity position

Quarter ended September 2019

Positive ALM mismatch across all buckets and comfortable liquidity position



- Conservative approach to liquidity, keeping a margin of safety (surplus)
- Shorter maturity assets enable easier matching of liabilities

During last quarter

Continue to maintain long-term rating of AA (Stable) from CRISIL and ICRA

- Raised **Rs. 300 Cr.** through on-lending route with banks
- Raised **Rs. 244 Cr.** from Tranche 2 of Public issue of Bonds
- Raised **USD 100m** 5-year ECB from **EDC Canada**
- Securitized/ assigned loans of **Rs 3,700 Cr** to banks

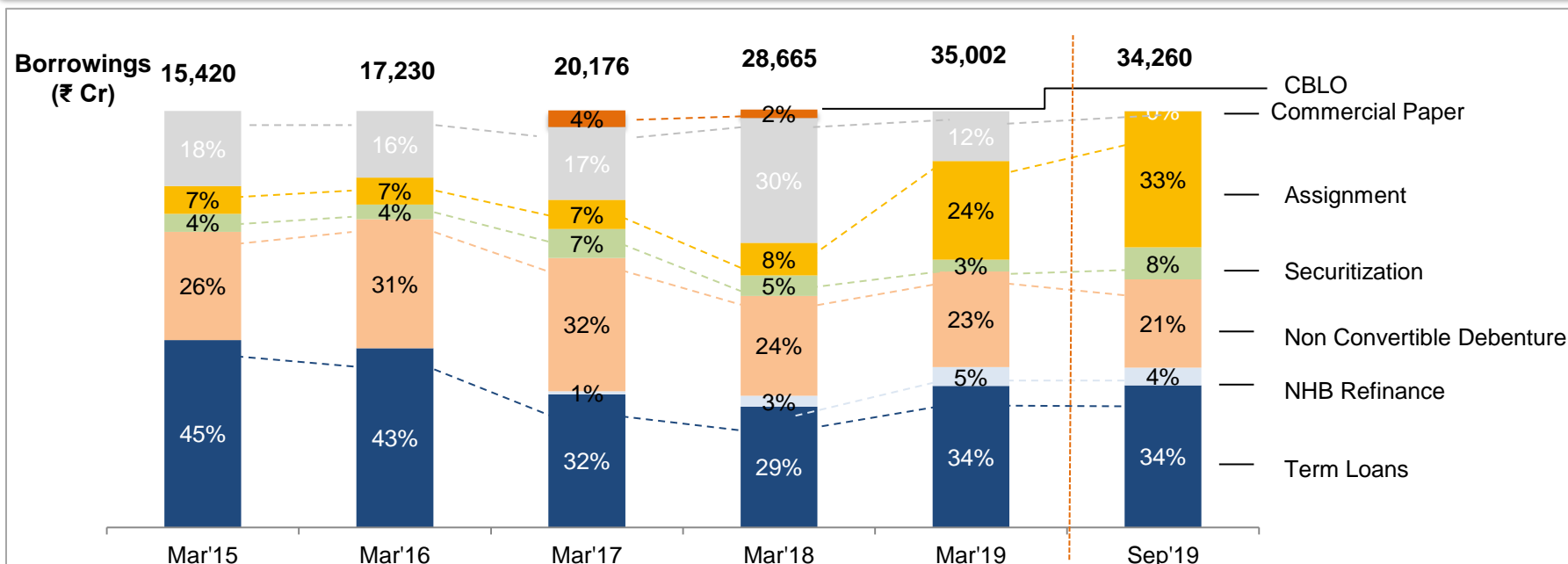
Committed credit lines from banks and institutions of ₹ 2,229 Cr were available as on September 30, 2019

Well diversified funding mix

Quarter ended September 2019

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

Split of funding



I: Performance Overview

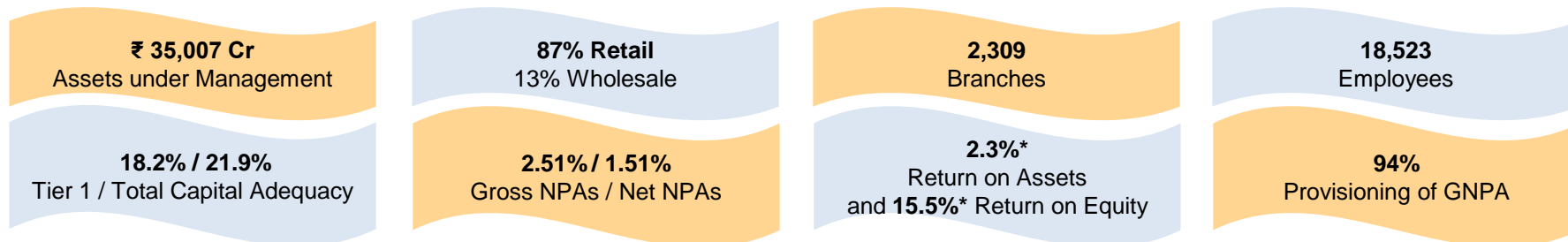
(i) Q1FY20 Results

(iii) Overview of Business

(iii) Product Segments

II: Ownership, Management and Governance

Company snapshot



Unique advantages of IIFL Finance

Granular and diversified asset portfolio

- Focus on **small-ticket retail** loans leading to **low delinquencies**
- Loan book with a track record of consistent **superior quality**

Vast physical network with a large presence in Tier-2 /Tier-3 locations

- **Widest physical network** with **brand visibility and connect** with the customer
- **One-stop shop** for financial products facilitating capture of maximum share of customer wallet

Pioneer in adoption of end-to-end digitization across processes

- **Leveraged technology** to streamline processes, reduce turnaround times and provide **operating leverage**
- Data driven analytical models have **helped manage delinquencies**

Access to diverse sources of funding and demonstrated support from existing marquee investors

- Additionally, 86% of portfolio is readily saleable to banks, providing **ability to assign and generate liquidity**

*Annualized and before exceptional items

Our Product Portfolio

As on September 30, 2019

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

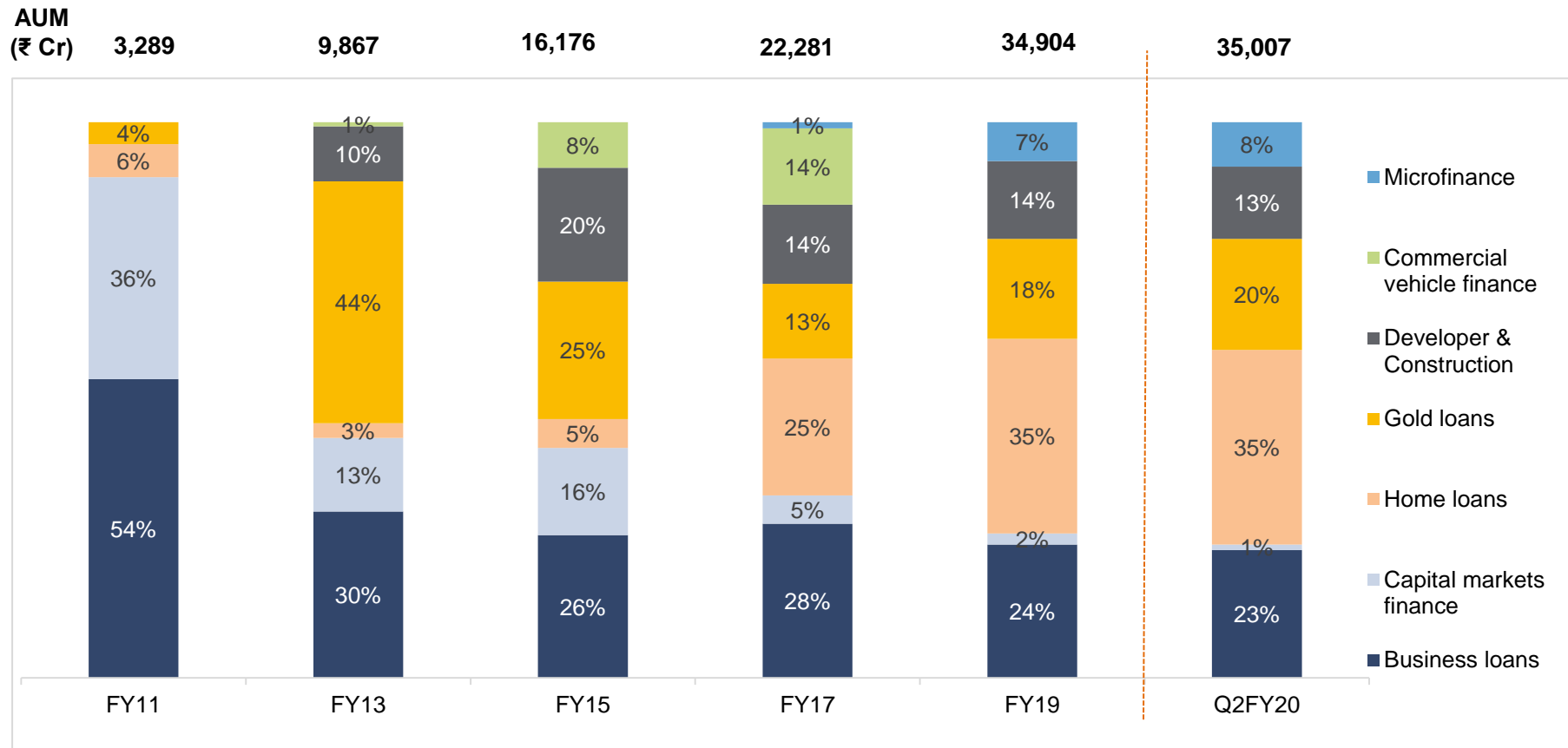
	AUM (₹ Cr)	Target customers	Unique features
	 HOME	12,256	<ul style="list-style-type: none"> Salaried / Self-employed individuals Focused on affordable and non-metro housing segments Leverages underwriting skills developed over time
	 BUSINESS	8,167	<ul style="list-style-type: none"> Medium, Small and Micro Enterprises Predominantly lending to business owners backed by cash flows and collateral
	 GOLD	6,887	<ul style="list-style-type: none"> Individuals Small-ticket loans with very low delinquencies Competitive advantage over peers given the vast branch network and segment experience
	 MICROFINANCE	2,709	<ul style="list-style-type: none"> Rural self-employed women High-yielding granular portfolio dominated by Self Help Groups (SHGs) of women for income generating activities Presence across 16 states
	 DEVELOPER & CONSTRUCTION	4,698	<ul style="list-style-type: none"> Developers Lending to residential projects and developers with a focus on affordable housing
	 CAPITAL MARKETS	290	<ul style="list-style-type: none"> Individuals / HNIs Lending to HNIs, corporates, private trusts, etc. looking to monetize their investments to raise capital

Core growth segments account for around 86% of assets under management

Increasing diversification across products and customers

Business mix shifting towards a diversified mix of superior quality retail assets

Diversified portfolio disperses exposure and balances cyclical vagaries

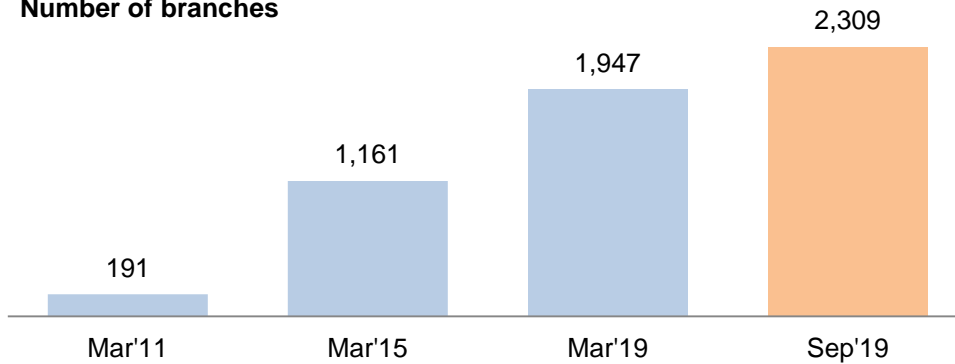


Vast physical network spread across the country

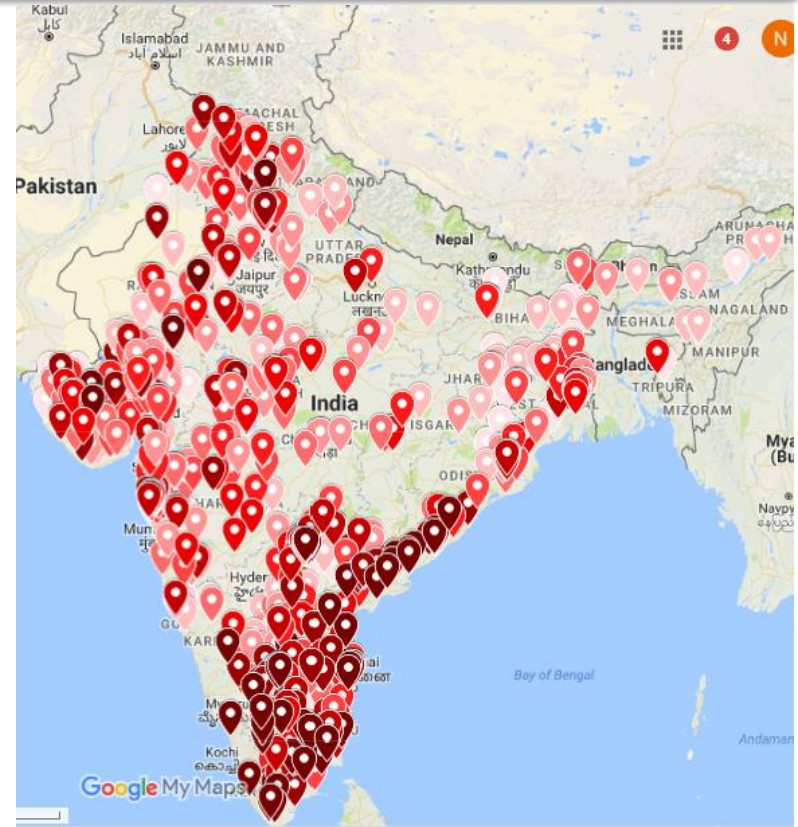
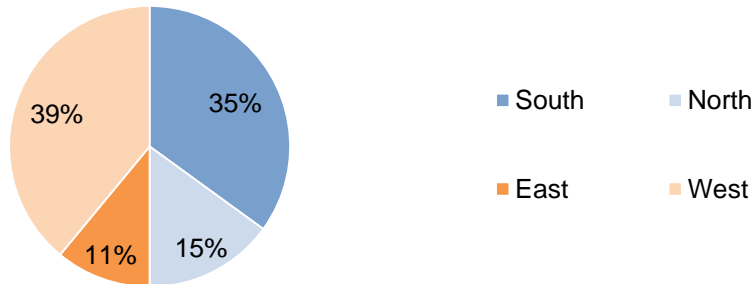
85% of branches are in Tier 2 and Tier 3 locations

Wide spread network across 25 states and over 600 locations

Number of branches



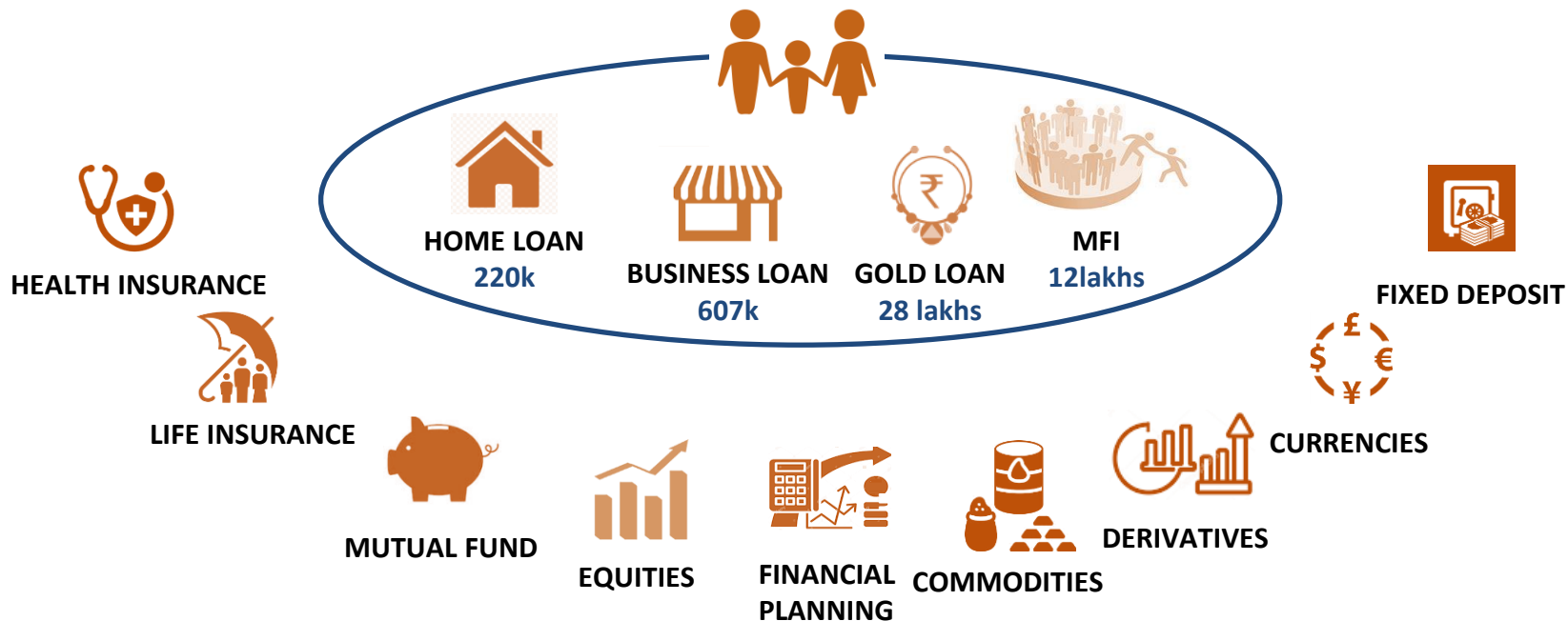
Regional split of branches



- 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

Ability to leverage physical presence and cross-sell

One stop shop for retail customers, building relationship for life



In-house expertise to capture the cross-sell opportunity

- Under penetration of financial products in Tier 2 and 3 locations
- Fee income generation by being distribution partner for investment and insurance products

Benefit from operating leverage

- Branch set-up necessary for gold loans to store pledged gold
- Gold loan being a core product in physical branches pays off for most fixed overheads, enabling additional products to be launched at minimal cost

End-to-end digitization through multiple innovations

SOURCING



- **Propensity-based targeting** built on machine learning model
- Leads generated are communicated to individual **branches to generate action**
- **High conversions:** More than 15x of natural response rate

ONBOARDING



- **Tablet based on-boarding** processes for home loans, business loans and gold loans
- **eKYC** and **eSign** capabilities, supported by automated eligibility checks, help in reducing operating costs and turnaround times

CREDIT UNDERWRITING



- **Analytical algorithms** to support faster credit decisions through online bank statement analysis, connected score cards and automatic policy checks
- Loan sanctioned within minutes, resulting in **reduced turnaround times** and better service

DISBURSAL



- **Online fulfilment** process (cashless) for quick disbursement
- Final documents scanned, uploaded and stored in a **centralized online repository** for reference and audit

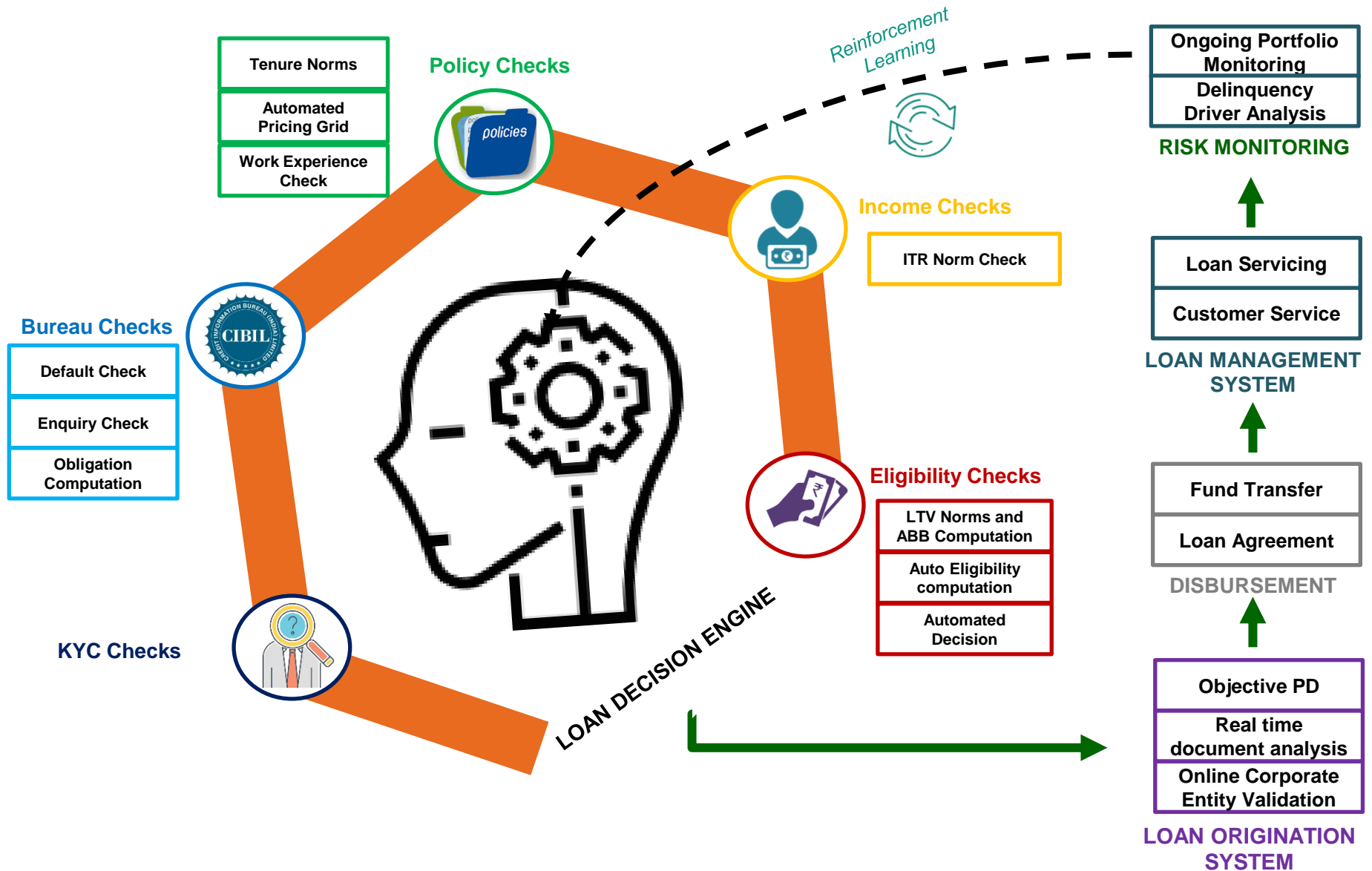
COLLECTION, MONITORING AND SERVICE



- **Automated collection** management enabling paperless receipts
- **Early warning triggers** for identifying stressed accounts

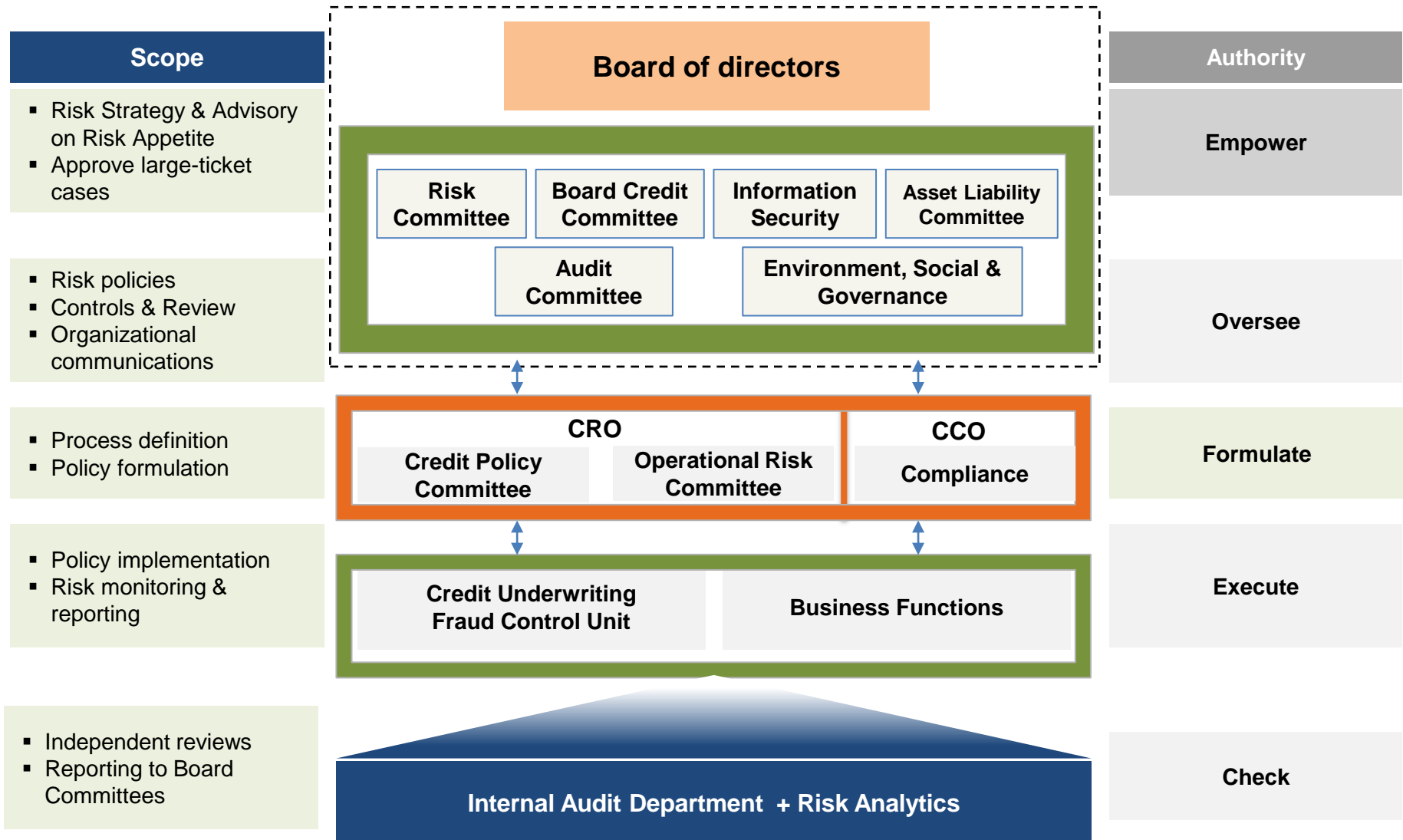
CUSTOMER REFERENCES

Leveraging technology for superior credit underwriting



Strong risk management framework under the Board's direct supervision

Multi-level risk governance for efficient monitoring and control of product and entity level risks



I: Performance Overview

(i) Q1FY20 Results

(iii) Overview of Business

(iii) Product Segments

II: Ownership, Management and Governance

Home loans – Product overview

Product offering	<ul style="list-style-type: none"> ▪ Affordable home loan ▪ Non-metro housing loan ▪ For home purchase, home renovation, home construction and plot purchase
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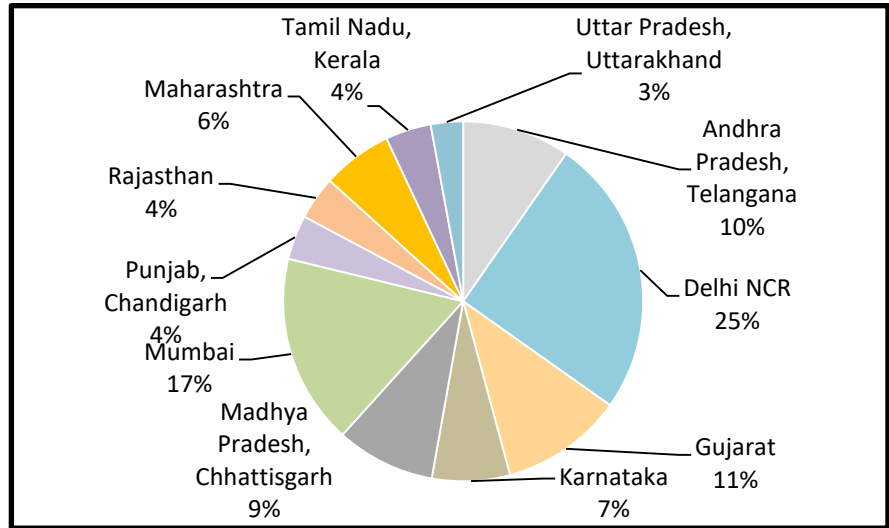
Customer segments	<ul style="list-style-type: none"> ▪ Affordable home loan: Salaried and self employed segment wherein household income is below ₹75k pm and are buying properties in the range of ₹ 30 to 50 Lakh ▪ Non-metro housing loan: Salaried (mostly blue collar jobs) and self employed who have a micro business. Here household income is below ₹ 40k pm and buying properties in the range of ₹ 10 to 30 Lakh
--------------------------	---

AUM ₹ 12,256 Crore (September 2019)	Gross /Net NPA 1.4% / 1.1% (September 2019)	Onboarding Average Ticket Size ₹ 14 Lakhs	LTV 70%	Tenor 19 years
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Key differentiators and controls

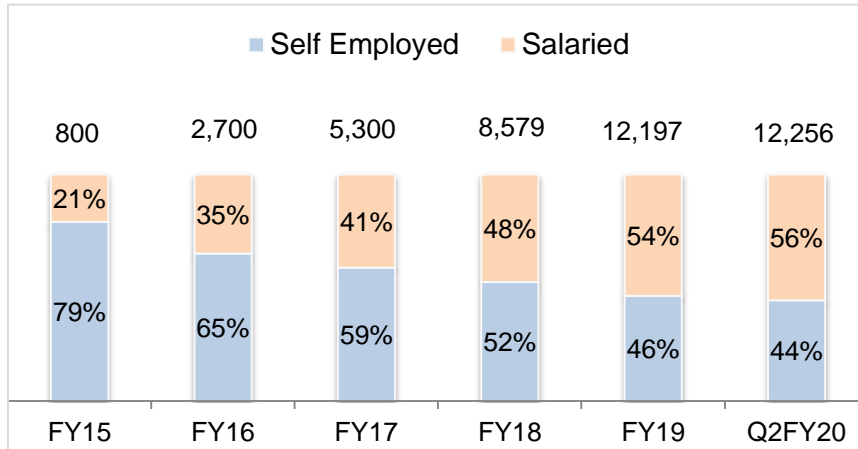
- ✓ Primary focus on affordable and non-metro housing finance to customer segments across Tier-1 suburbs, Tier- II and Tier- III cities
- ✓ Business strategy aligned with government mission of “Housing for All “ through CLSS subsidy
- ✓ End to end digital process to reduce cost, enhance operational efficiency and minimise turn-around time (TAT)
- ✓ Ability to leverage group company network
- ✓ Digital penetration in affordable home loans has increased from 5% in FY17 to 49% in FY19
- ✓ ₹ 737 Crore of subsidy received under Credit-linked Subsidy Scheme, which has benefitted ~33,000 customers

Distribution of AUM as at September 30, 2019

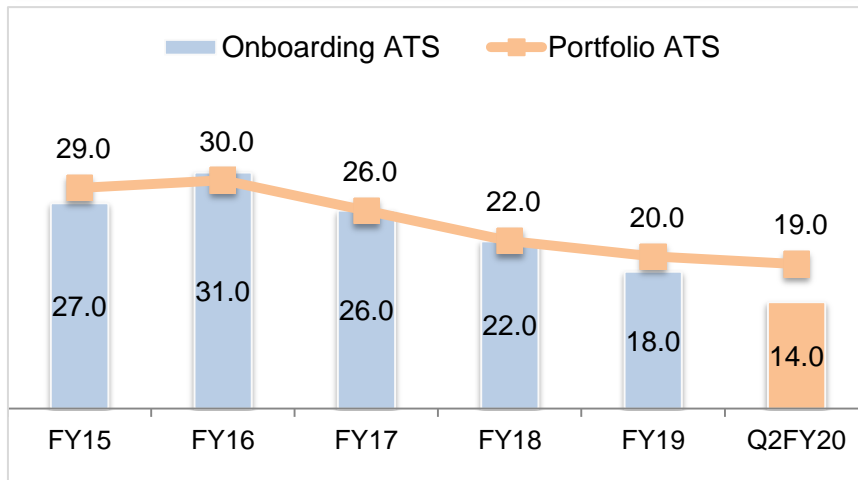


Home loans – Financial overview

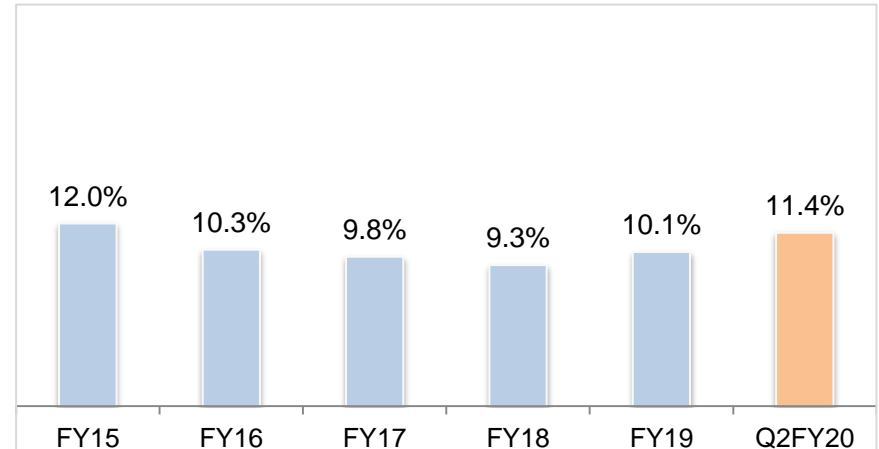
Assets Under Management (₹ Crore)



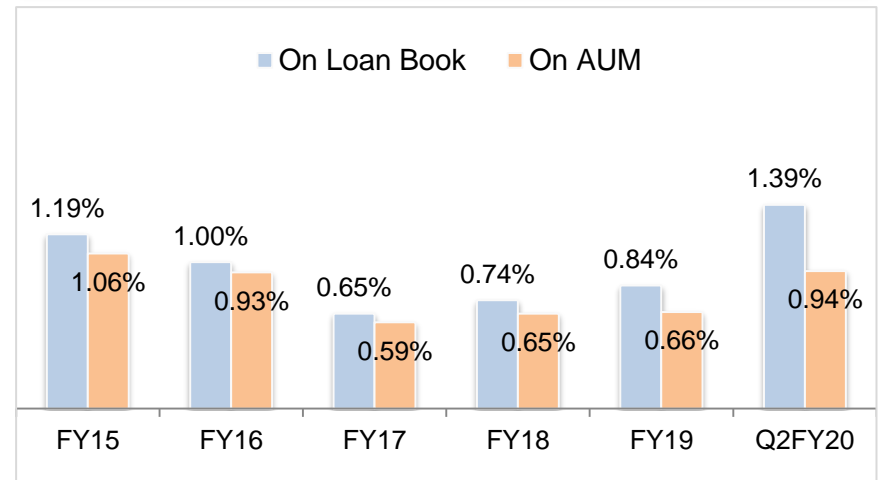
Average Ticket Size (₹ Lakhs)



Boarding Yield (%)



Gross NPAs (%)



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

AUM
₹ 8,167 Crore
(September 2019)

Gross/Net NPA*
2.7% / 1.2%
(September 2019)

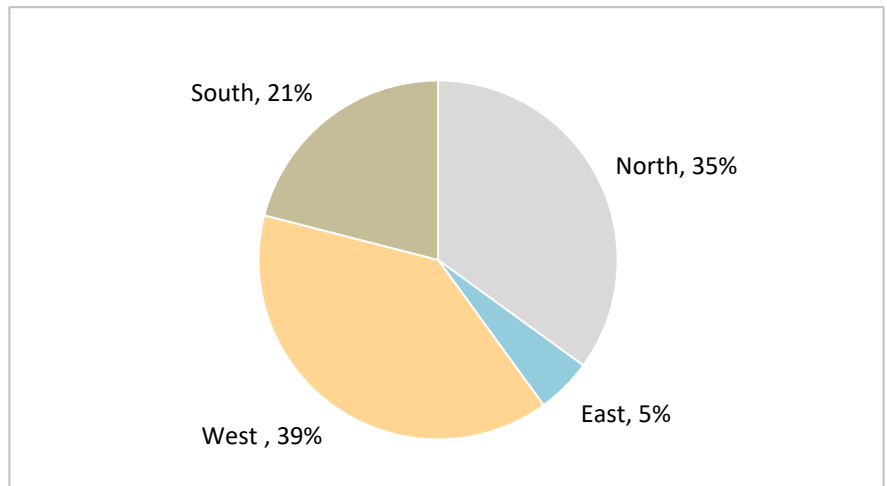
**Onboarding
Average Ticket Size**
₹ 23 Lakh

Tenor
Upto 12 years

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

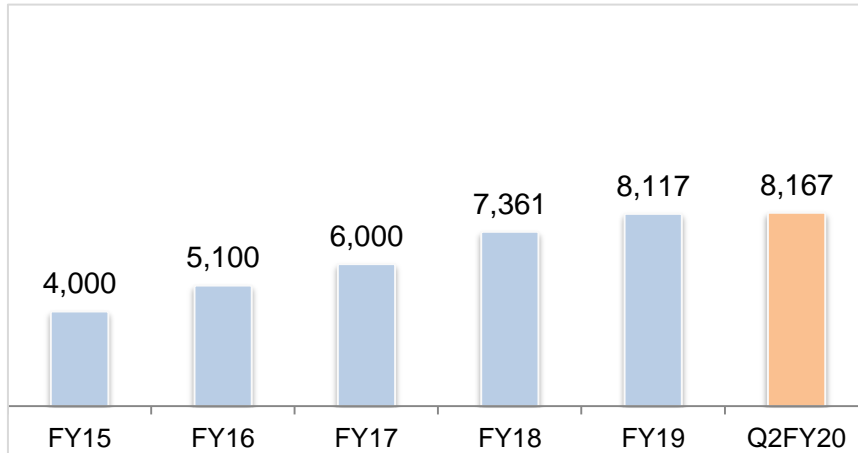
Distribution of AUM as at September 30, 2019



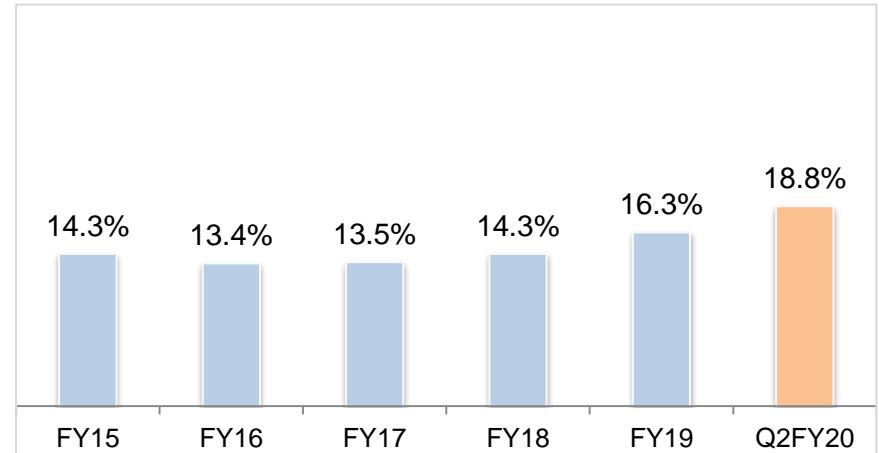
*Excluding discontinued HCF portfolio

Business loans – Financial overview

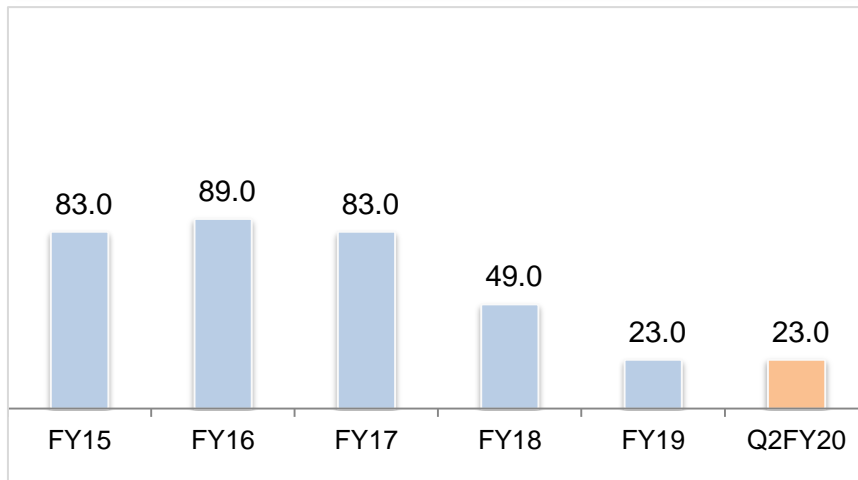
Assets Under Management (₹ Crore)



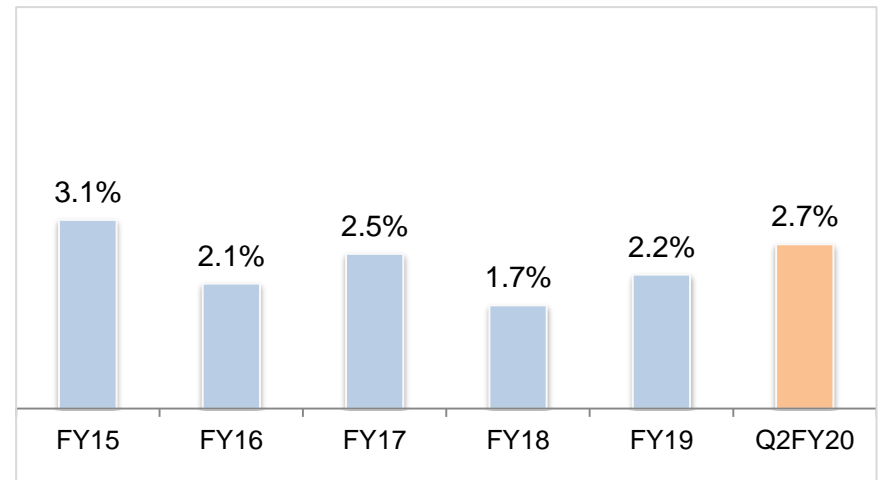
Boarding Yield (%)



Onboarding Average Ticket Size (₹ Lakhs)



Gross NPAs (%)



Gold loans – Product overview

Product offering

- Loan against jewellery provided for personal & business use;
- On-boarding LTV < 70%

Customer segments

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

AUM
₹ 6,887 Crore
(September 2019)

Gross/Net NPA
0.7% / 0.5%
(September 2019)

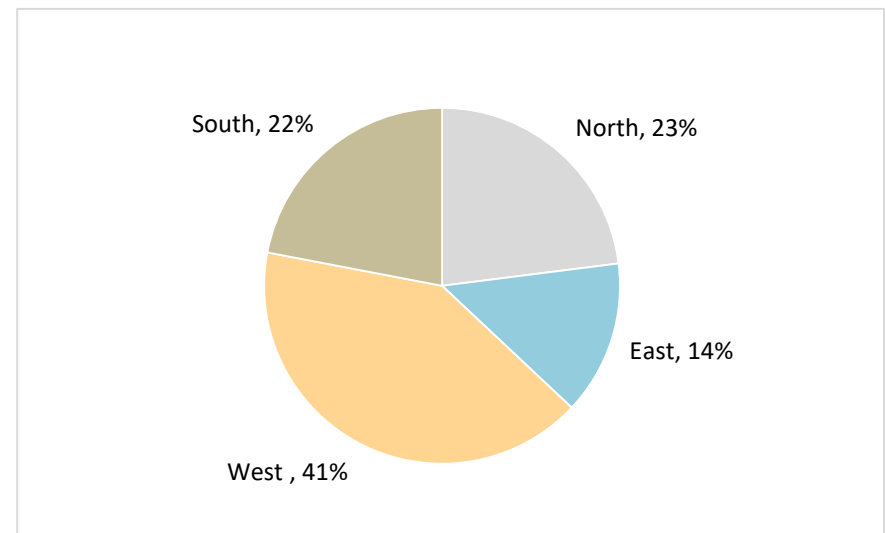
**Onboarding
Average Ticket Size**
₹ 0.5 Lakhs

Tenor
~1 year

Key differentiators and controls

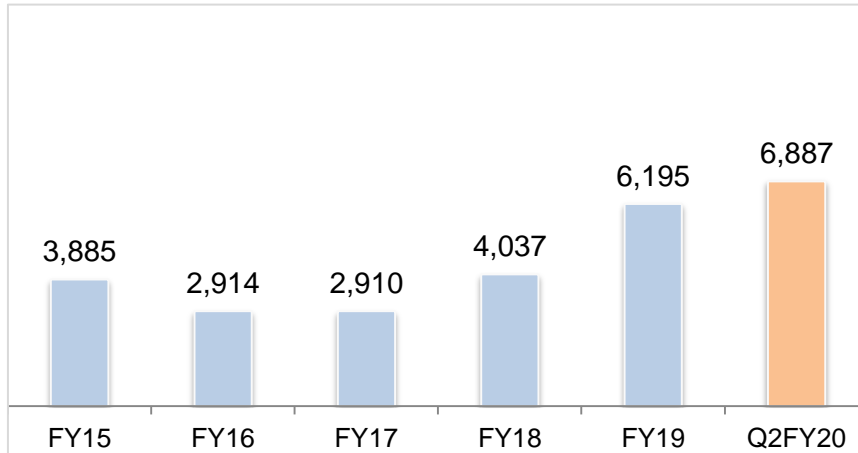
- ✓ Hassle free loans with quick approvals and minimum documentation with disbursement under 30 minutes
- ✓ Sourcing through sales executives in 600+ cities across 25 states
- ✓ In-house loan origination tablet application equipped to screen customers for earlier defaults, frauds and negative customer lists
- ✓ Strong emphasis on Collections and Resolution resulting in negligible losses
- ✓ Robust credit writing policies manifested in low auction-to-book ratio (~0.49% as of Q2FY20, as compared to 4.48% in FY18)

Distribution of AUM as at September 2019

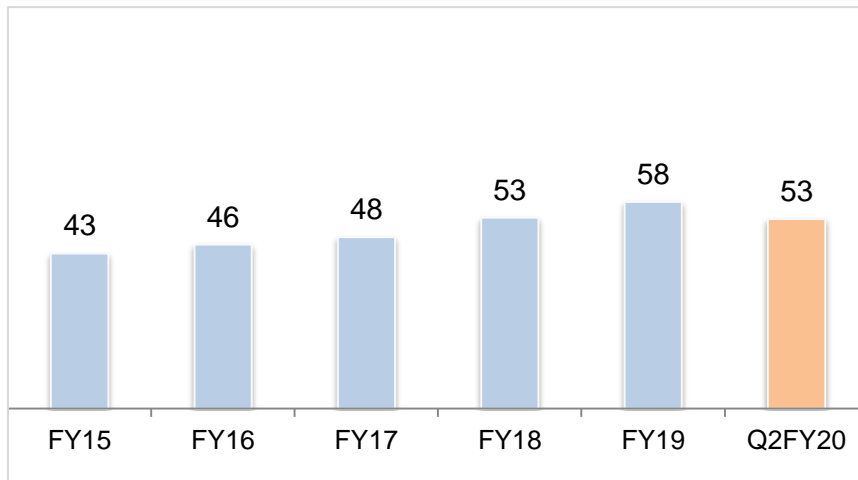


Gold loans – Financial overview

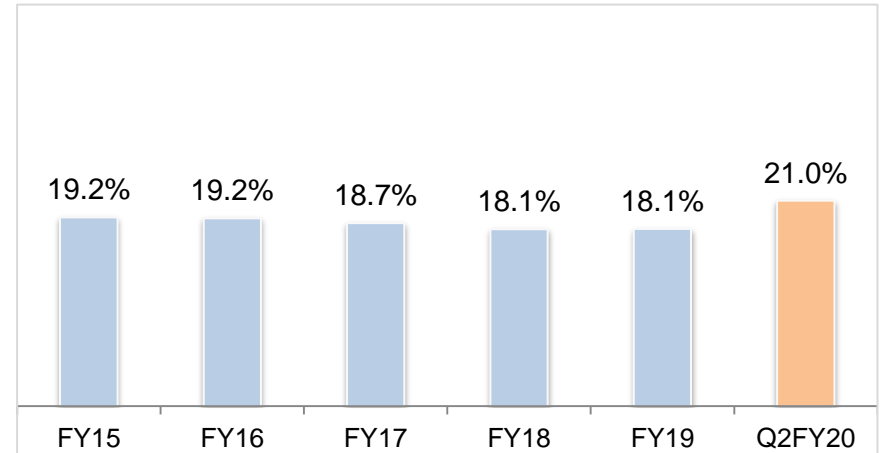
Assets Under Management (₹ Crore)



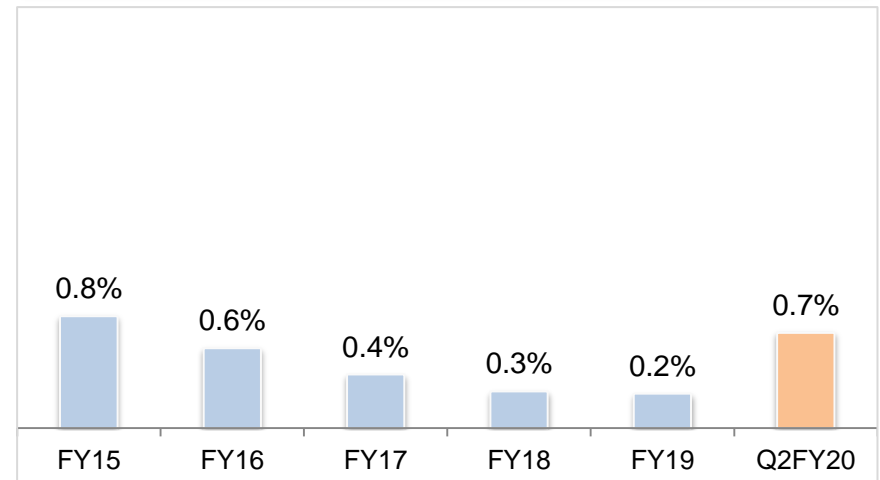
Onboarding Average Ticket Size (₹ '000s)



Boarding Yield (%)



Gross NPAs (%)



Product offering

- Small-ticket loans for purpose of income generation activities

Customer segments

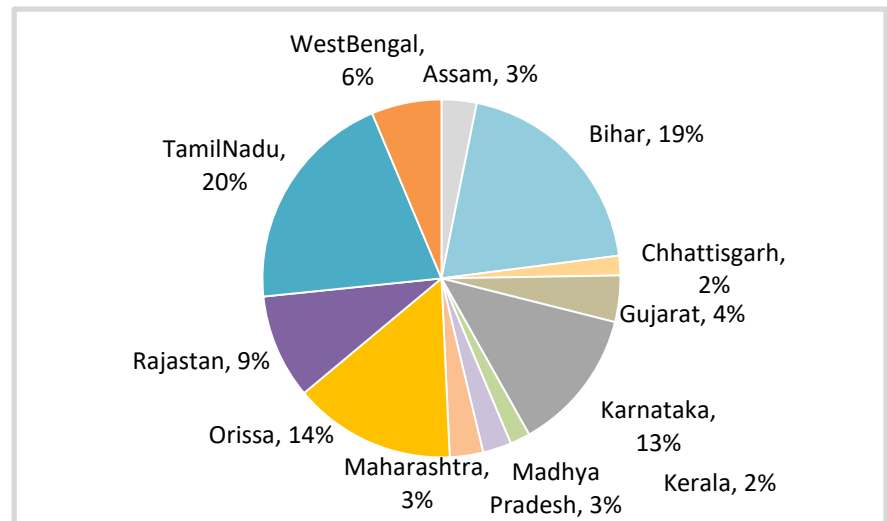
- Target segment is rural and semi-urban self-employed women formed into joint liability groups

AUM ₹ 2,709 Crore (September 2019)	Gross/Net NPAs 1.0% / 0.2% (September 2019)	States 17	Total Customers 12 Lakh	Tenor ~2 years
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Key differentiators and controls

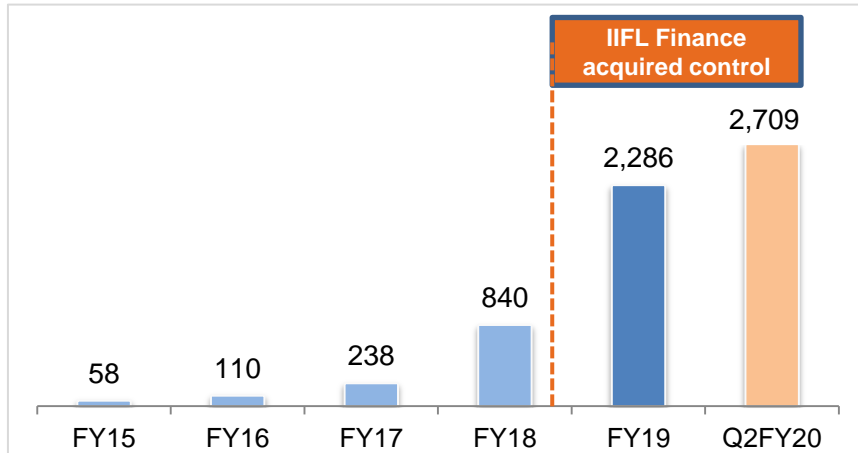
- ✓ Among top 10 MFIs in India
- ✓ Extensive presence in 17 states, 249 districts
- ✓ Strong emphasis on training and awareness of all customers detailing end use of funds, timely repayment and emphasis on joint liability
- ✓ Customer base likely to graduate to larger ticket-sized loans, like gold loans and affordable housing loans
- ✓ 100% credit-linked insurance coverage

Distribution of AUM as at September 30, 2019

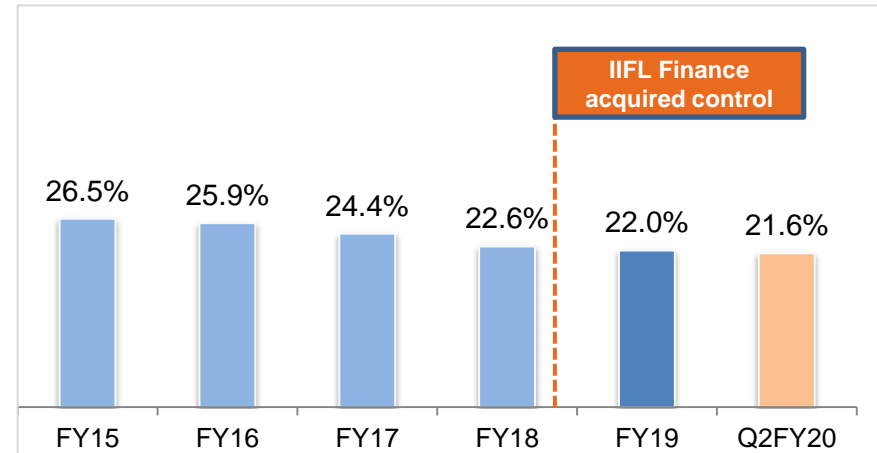


Microfinance – Financial overview

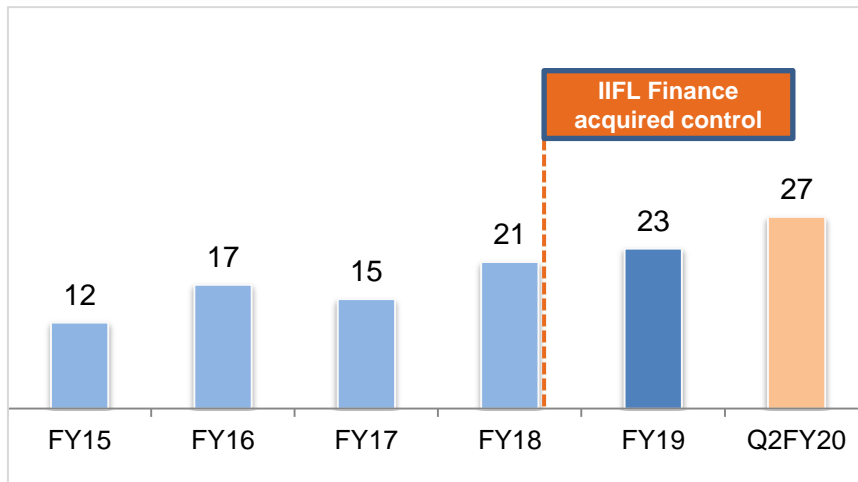
Assets Under Management (₹ Crore)



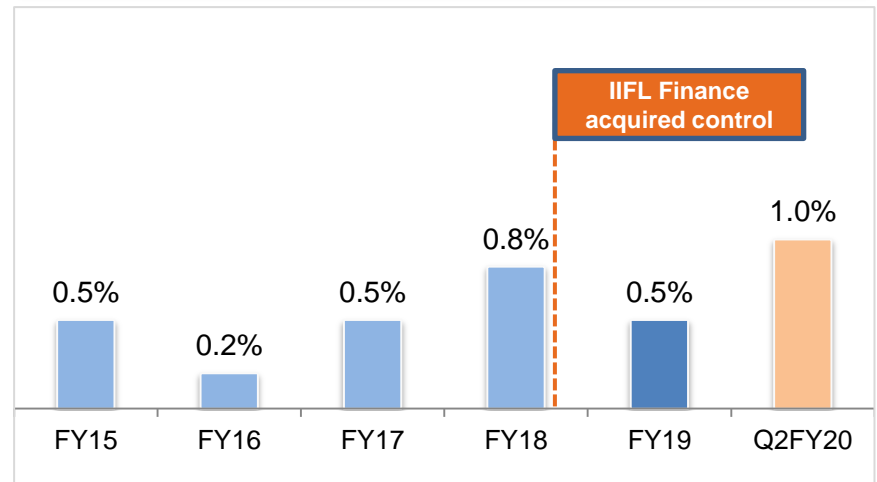
Boarding Yield (%)



Onboarding Average Ticket Size (₹ '000s)



Gross NPAs (%)



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II: Ownership, Management and Governance

Management team with rich domain experience and ownership

India Infoline Finance

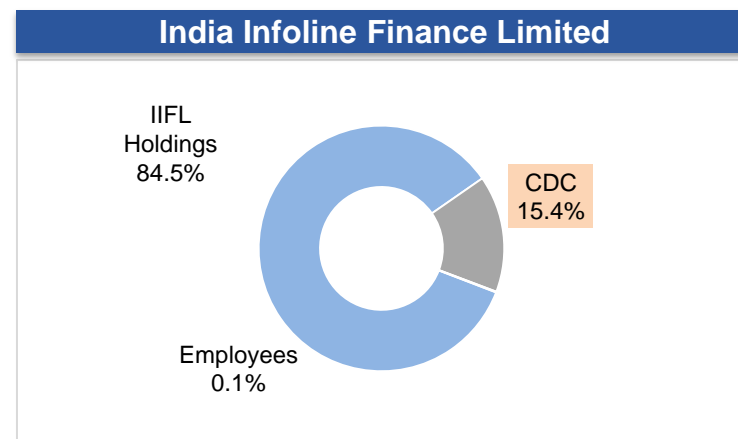
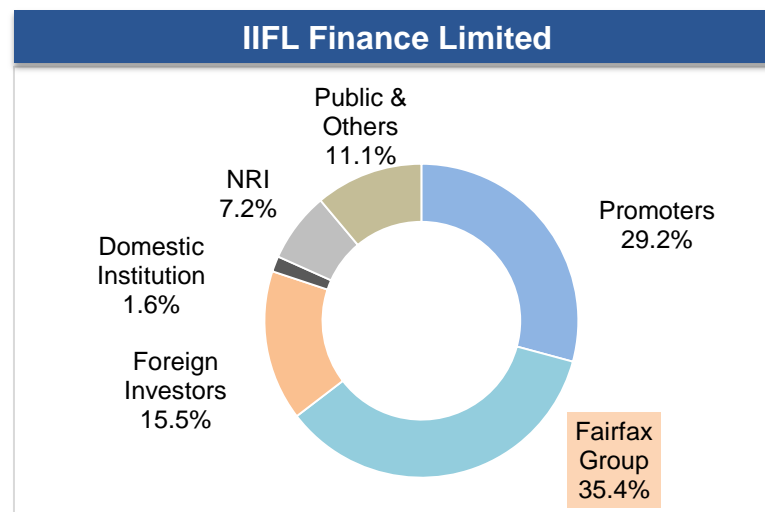
Chief Executive Officer	Sumit Bali
Chief Financial Officer	Prabodh Agrawal
Chief Risk Officer	Anujeet Kudva
Compliance Officer	Gajendra Thakur
Treasurer	B.S. Amarnath

IIFL Home Finance

Chief Executive Officer	Monu Ratra
Chief Financial Officer	Amit Gupta
Chief Risk Officer	Sanjeev Shrivastav
Treasurer	Govind Modani

Samasta Microfinance

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



Note: Shareholding pattern as at September 30, 2019

Distinguished Board of Directors

India Infoline Finance– Board of Directors



V. K. Chopra, Chairman

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



Nirmal Jain, Whole-time Director

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



R Venkataraman, Non Executive Director

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



Nagarajan Srinivasan, Non Executive Director

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



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



Sumit Bali, Executive Director & CEO

- MBA from IIM Ahmedabad
- More than 24 years of banking experience, including heading the retail asset portfolio of Kotak Mahindra Bank

IIFL's brand and credibility are substantiated by multiple awards

IIFL Finance won the “Best Fintech NBFC of the Year Award” at the India NBFC Excellence Awards 2019 presented by INDIA NBFC SUMMIT & AWARDS 2019



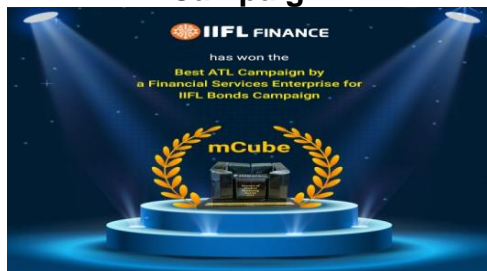
IIFL Finance has been awarded as a “Great Place to Work” certification from March 2019 to February 2020



ET Now & Broadcast One recognised IIFL Group as “Disruptors” in the financial services industry

IIFL Home Finance Awarded “Best Affordable Housing Finance Company of the Year Award”

IIFL Finance won “Best ATL Campaign” Award at mCube Awards for IIFL Bond Campaign



IIFL Finance receives Tata Institute of Social Sciences and LeapVault Award for 'Best on the Job Training Program' at Chief Learning Officers Summit in Mumbai.



IIFL Finance won “Leadership in Customer Service in Financial Services Sector” at The 7th Edition of World Quality Congress & Awards





Complete Profitability

A N E S G I N I T I A T I V E

Employees

- Learning & Development
- Growth
- Gender Diversity
- Right Values

Organization

- Financial, Ethical & Sustainable Growth
- Constant Innovation

Society

- Financial Inclusion
- Financial Literacy
- Women Empowerment
- Housing for All

Environment

- Environmental & Health Impact
- Environmental , Social & Governance
- Sustainable Development
- Responsible Investment

E

- KUTUMB
- Digital process
- Green communication

S

- Financial Inclusion
- First House- Housing for All
- Affordable Housing
- Women Empowerment
- Diversity at Work Place
- Employees Health and Safety
- CSR activities

G

- POSH
- CMG
- Ethics & Integrity
- Anti corruption policy
- Customer satisfaction
- Independent Board and Audit Committee Structure
- Whistleblower Mechanism

Better world Foundation - Gurugram

IIFL Foundation has extended financial support to 'Better World Foundation' to conduct schooling in open spaces for children from underprivileged stratum of the society. Three such centers are currently functional at Gurgaon, where children are taught subjects such as Hindi, Math & English, along with activities such as Art and Music.



IIM Indore – Atharv '19

IIFL Foundation supported IIM Indore's Annual Event – Atharv '19, held at their campus witnessing participation from over 2,000 students from IIMs, XLRI and other top management schools across India. IIFL Foundation stepped forward as a 'Social Cause Sponsor' for the event. Social Cause Initiative - IIM Indore students and faculty organized skill development workshops for older teenagers, to teach them vocational skills to earn a livelihood. These included skills like paper bag making, jewelry making, silk refining, etc.



Financial Literacy Centre—West Bengal, Odisha & Tripura

Under IIFL foundation's financial literacy initiative, more than 100 women participated with great enthusiasm to learn at the financial literacy initiative at the centre, and understand how they could avail various Governmental & Non-governmental services. The centres facilitate workshops on Financial Literacy, having women and youth as their target group.



River Rejuvenation -Wadhona Nulla Recharge

IIFL Foundation took up the charge to rejuvenate the Wadhona Nulla and its tributaries in Arvi taluka, by partnering with the Govt. of Maharashtra. The work aims to improve existing groundwater conditions and to promote sustainable management of groundwater resources by artificial recharge methodology. In the period spanning from March to August 2019, approx. 6,470 mtrs of work area was covered contributing to an overall magnitude of 82,242 mtrs.



Thank you

Published in October 2019

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