

## Rating Rationale

December 10, 2024 | Mumbai

### IIFL Finance Limited

'CRISIL AA/Stable' assigned to Non Convertible Debentures

#### Rating Action

Total Bank Loan Facilities Rated	Rs.7000 Crore
Long Term Rating	CRISIL AA/Stable (Reaffirmed)

Rs.1500 Crore Non Convertible Debentures <sup>&amp;</sup>	CRISIL AA/Stable (Assigned)
Rs.859 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA/Stable (Reaffirmed)
Rs.300 Crore Perpetual Bonds	CRISIL AA-/Stable (Reaffirmed)
Rs.4198.02 Crore Non-Convertible Debentures <sup>&amp;</sup>	CRISIL AA/Stable (Reaffirmed)
Rs.3500 Crore Non Convertible Debentures <sup>&amp;^</sup>	CRISIL AA/Stable (Reaffirmed)
Rs.1134.88 Crore Non-Convertible Debentures <sup>&amp;^</sup>	CRISIL AA/Stable (Reaffirmed)
Rs.500 Crore Commercial Paper Programme (IPO Financing)	CRISIL A1+ (Reaffirmed)
Rs.8500 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

<sup>&</sup>Interchangeable between secured and subordinated debt

<sup>^</sup>For retail bond issuance

Note: None of the Directors on CRISIL Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings. The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

#### Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA/Stable**' rating to Rs 1500 crore non-convertible debentures (NCDs) of IIFL Finance Ltd (IIFL Finance) and reaffirmed its 'CRISIL AA/CRISIL AA-/CRISIL PPMLD AA/Stable/CRISIL A1+' ratings on the bank facilities and existing debt facilities of the company.

CRISIL Ratings has also **withdrawn** its rating on Rs.151.39 crore of NCDs of the company (See 'Annexure 'Details of Rating Withdrawn' for details) in line with its withdrawal policy. CRISIL Ratings has received independent confirmation that this instrument has been fully redeemed.

The ratings continue to be supported by the group's comfortable capitalisation, its established track record of operations in home loans and microfinance segments, and sustained profitability metrics, supported by stable asset quality. These strengths are partly offset by limited diversity in the resource profile, with moderately higher cost of funds vis-à-vis some of the peers.

Earlier, vide announcement dated September 19, 2024, the company informed about upliftment of the regulatory embargo on its gold loan business, thereby allowing the group to resume sanctions and disbursements in this segment as in the normal course of business, as well securitization/assignment/sale of loans. The embargo was imposed by RBI on March 04, 2024. The company has demonstrated track record of profitably scaling its gold loan business – which remains one of its core segments. With the regulatory restriction being removed, and the company having taken requisite corrective measures following the action by the Reserve Bank of India (RBI), the group is expected to focus on regaining its market share in the gold loan business which should support restoration of its market position and profitability, which had moderated during the embargo. The time taken to attain its pre-embargo level of growth and profitability, while ensuring full adherence to compliances and regulations, remains monitorable.

During the restriction period, gold loan portfolio reduced to around Rs 10,797 crore as of September 30, 2024 (from Rs 23,354 crore on March 31, 2024) due to organic run down. Other key businesses of the group viz, home loans, microfinance, loan against property and others, were not directly impacted by this RBI directive. All the corrective measures on operational processes and compliances, highlighted by RBI have been implemented and the company's ability to revive the momentum of growth in the gold loan business, will continue to be monitored.

Consolidated AUM stood at Rs 66,964 crore as on September 30, 2024, with gold loans accounting for 16%. Housing finance and microfinance, which form 43% and 17%, respectively, are carried out via subsidiaries, IIFL Home Finance Ltd (IIFL Home) and IIFL Samasta Finance Ltd (IIFL Samasta). In terms of the earnings profile, the group reported return on assets (RoA) and managed assets (RoMA) of 3.4% and 2.3%, respectively, for fiscal 2024, vis-à-vis 3.3% and 2.3%, respectively, in fiscal 2023. This was underpinned by controlled credit cost and upfront income from direct assignment (DA) transactions, and its sustenance considering any potential changes in the business model following the restrictions. RoA and RoMA, on an annualized basis, compressed to 0.8% and 0.6%, respectively, for first half of fiscal 2025 on account of 100% provision of an AIF investments - an exceptional loss (Rs 587 crore), lower net interest margins (NIMs) and increase in credit during the period. NIMs (Total net interest income/average managed assets) and credit cost (provisions and write-offs/average managed assets), on an annualized basis were 6.6% and 1.6% in H1FY25 vis-à-vis 7.1% and 1.1% during fiscal 2024.

The group has demonstrated ability to raise capital from long-term marquee investors, such as Fairfax, the CDC group and Abu Dhabi Investment Authority (ADIA). However, the resource profile is marked by limited diversity and higher cost of borrowings, compared with peers.

#### Analytical Approach

CRISIL Ratings has consolidated the business and financial risk profiles of IIFL Finance and its subsidiaries, including IIFL Home and IIFL Samasta. This is because all the companies, collectively referred to as the IIFL Finance group, have significant operational, financial and managerial integration, and operate under a common brand.

*Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.*

### **Key Rating Drivers & Detailed Description**

#### **Strengths:**

##### **Comfortable capitalisation, supported by demonstrated ability to raise capital and an asset-light business model**

The group has demonstrated its ability to raise capital from long-term marquee investors, such as Fairfax and the CDC group in the past. IIFL Finance raised Rs 1,272 crore via rights issue in May 2024 and consolidated networth stood at Rs 13,638 crore with adjusted gearing stood at 2.9 times as on September 30, 2024. Networth coverage for net non-performing assets (NPAs) was comfortable at 29 times as on September 30. Given the capital infusion and the asset-light business model, capitalisation should remain comfortable for the projected scale of operations over the medium term.

IIFL Finance reported a standalone networth and gearing of Rs. 6428 crore and 2.4 times, respectively as on September 30, 2024, Tier I capital adequacy ratio (CAR) and overall CAR stood at 20.1% and 26.3%, respectively, as on the same date. Networth coverage for net NPAs was around 36 times.

Further, IIFL Home has also raised Rs 2,200 crore as primary equity from ADIA in the second quarter of fiscal 2023. Consequently, consolidated networth improved to Rs 12,056 crore and adjusted gearing to 3.9 times as on March 31, 2024. On September 30, 2024, IIFL Home had networth and gearing of, and Tier I and overall CAR of 44.4% and 49.1%, respectively, and networth coverage for net NPAs of around 28 times. On the same date, IIFL Samasta reported networth and gearing of Rs 2,165 crore and 3.5 times, respectively. Tier I and overall CAR on the same date were 23.9% and 30.5%, respectively.

##### **Established track record of operations and extensive branch network; ability to revive market share in the gold loan business will remain a monitorable**

Consolidated AUM witnessed a de-growth of 15% over the first half of fiscal 2025 and stood at Rs 66,964 crore as compared to Rs 78,960 crore on March 31, 2024. The decline was driven by the rundown in gold loan portfolio along with momentary slowdown in microfinance portfolio.

Majority of the book has been deployed in retail asset classes. Two lending subsidiaries, IIFL Home and IIFL Samasta, are engaged in mortgage finance and microfinance, respectively. In the affordable housing space, the group extends loans of average ticket size of Rs 20 lakhs and within this sub-segment, it is a prominent player. Retail loans (ticket size less than Rs 1 crore) accounted for 97% of the consolidated AUM as on September 30, 2024, making the portfolio highly granular. Also, 69% of the portfolio, excluding gold loans, qualified under priority sector lending. As on September 30, 2024, the group was present across five key segments: home loans (43% of the AUM), gold loans (16%), LAP (13%), digital loans (8%) and microfinance (17%), which together accounted for 97% of the AUM, up from 67% as on March 31, 2017.

With the embargo being lifted, the organic run down of the gold loan business has been arrested and disbursements have started to pick up. Though the ability of the company to restore the run rate to pre-embargo levels, remains a monitorable. Apart from these, there are two non-core, but synergistic segments: construction and real estate (CRE) funding and capital market lending. The group has been consciously scaling down its book under these segments, which together formed only 2% of the AUM. Under CRE, the group finances completion of projects already funded by it and is also looking at providing smaller ticket construction finance through IIFL Home, as it will be synergistic to its core business. In the capital market segment, the group finances retail clients of IIFL Securities Ltd. Market position benefits from a wide network of 4,810 branches as on September 30, 2024, which allows the group to cross-sell financial products of other IIFL entities.

On a standalone level, IIFL Finance had an AUM of Rs 17,382 crore as on September 30, 2024 (Rs 29,250 crore as on March 31, 2024 and Rs 25,573 crore as on March 31, 2023) primarily comprising gold loans (62%), digital loans (31%), developer and construction finance (4%), loan against property (1%) and capital markets (2%). IIFL Home had an AUM of Rs 37,098 crore on the same date (Rs 35,499 crore as on March 31, 2024 and Rs 28,512 crore as on March 31, 2023), comprising home loans (79%), followed by LAP (19%) and construction finance (2%). IIFL Samasta had an AUM of Rs 12,483 crore as on September 30, 2024 (Rs 14,211 crore as on March 31, 2024 and Rs 10,552 crore as on March 31, 2023).

##### **Sustained profitability metrics supported by controlled asset quality**

Consolidated RoA and RoMA were 3.4% and 2.3%, respectively, in fiscal 2024 and 3.3% and 2.3%, respectively, for fiscal 2023. On an absolute basis, consolidated net profit was Rs 1,974 crore in the fiscal 2024 and Rs 1,608 crore in fiscal 2023. Earnings were supported by lower credit cost (provisions and write-offs/average managed assets) of 1.1% during fiscal 2024 vis-à-vis 1.2% in fiscal 2023 (1.7% in fiscal 2022). However, in H1 2025, consolidated RoA and RoMA reduced to 0.8% and 0.6%, respectively, due to 100% provision made for an AIF investment - an exceptional loss (Rs 587 crore), lower net interest margins (NIMs) and increase in credit in the quarter. NIMs (Total net interest income/average managed assets) and credit cost (provisions and write-offs/average managed assets), on an annualized basis stood at 6.6% and 1.6% in H1FY25 vis-à-vis 7.1% and 1.1% during fiscal 2024.

On consolidated and standalone basis, gross NPAs (GNPAs) of IIFL Finance stood at 2.3% and 3.7%, respectively, as on March 31, 2024 (1.8% and 1.3%, respectively, as on March 31, 2023, and 3.2% and 2.9%, respectively, as on March 31, 2022). GNPAs spiked during March 2024 due to slippages in gold portfolio. GNPA stood at 2.4% and 2.9%, respectively on consolidated and standalone basis, as on September 30, 2024. Provision coverage ratio as on September 30, 2024, stood at 56%.

On a standalone basis, IIFL Home and IIFL Samasta reported GNPAs of 1.5% and 1.9%, respectively, as on March 31, 2024 (2.2% and 2.1%, respectively, on March 31, 2023, and 3.1% and 3.1%, respectively, on March 31, 2022). Of these, while the GNPA of IIFL Home has remained almost flat at 1.6% over the first half of fiscal 2025, GNPA for IIFL Samasta inched up to 3.4% as of September 30, 2024, owing to issues like overleveraging and attrition that are plaguing the microfinance segment. On this date, GNPA for the gold loan portfolio was at 2.4%, LAP at 3.5%, and digital loans at 3.3%.

Ability to keep delinquencies under check and manage credit cost will remain critical for sustaining healthy profitability.

#### **Weakness:**

**Limited diversity in resource profile with comparatively higher cost of funds; ability to restore the volume and quality of funding to pre-embargo levels, is a key rating sensitivity factor**

As on September 30, 2024, banks and financial institutions (FIs) constituted 73% of the on-book borrowings of the group-these were primarily in the form of term loans (44%), refinance (16%), short-term borrowings (4%), external commercial borrowings (8%) and others (1%). The remaining 27% of borrowings were in the form of non-convertible debentures (24%), external commercial borrowings from DFIs (1%) and commercial paper (2%). Of this, capital market lenders (such as mutual funds, pension funds, trusts) had limited share. IIFL Finance group has been able to tap the public NCDs route, but the cost of funds remains higher than some of the comparable peers. Nonetheless, the company has a comfortable liquidity profile with no negative cumulative mismatches across time buckets as per the asset liability maturity (ALM) statement dated September 30, 2024.

Over the medium to long term, ability to diversify the resource base at an optimal cost will be a monitorable, given the relatively higher reliance on banks and FIs.

**Liquidity Strong**

As on September 30, 2024, the IIFL Finance group had liquidity of Rs 3882 crore (Rs 3433 crore of cash and equivalents, Rs 77 crore of unutilised cash credit limit and Rs 372 crore of undrawn sanctioned bank limits [including securitisation/DA limit]). Against this, total debt obligation was Rs 2,777 crore over the three months through December 2024.

On a standalone basis, IIFL Finance had surplus cash of Rs 854 crore as on September 30, 2024. This, including sensitized collections scheduled over the following three months, is sufficient to meet debt obligation of Rs 867 crore till December 2024.

**Environment, social and governance (ESG) profile**

CRISIL Ratings believes that the ESG profile of the IIFL Finance group supports its credit risk profile.

The ESG profile of financial institutions typically factors in governance as a key differentiator. The sector has reasonable social impact because of its substantial employee and customer base, and its role in promoting financial inclusion. While there is no direct adverse impact on the environment, lending decisions could have a bearing on environmental and other sustainability related factors.

The IIFL Finance group has demonstrated an ongoing focus on strengthening various aspects of its ESG profile.

**Key ESG highlights of the IIFL Finance group**

IIFL Finance has replaced incandescent lights with light-emitting diode panels across branches. Rainwater harvesting systems have been installed and wastewater is treated and re-used for domestic purposes.

Of the total workforce at IIFL Finance, gender diversity stands at 26%, as on March 31, 2023. One of the nine board members is a woman.

Of the board members, 63% are independent directors and there is a split between positions of the chairman and CEO. Extensive investor grievance redressal disclosures and mechanism are in place.

There is growing importance of ESG among investors and lenders. The group's commitment to ESG will play a key role in enhancing stakeholder confidence, given the substantial share of foreign investors as well as access to domestic capital market.

**Outlook: Stable**

IIFL Finance group is likely to maintain adequate capitalisation while restoring its growth momentum in the gold loan as well as overall portfolio, which is expected to aid overall profitability.

**Rating Sensitivity Factors**

**Upward factors:**

- \* Sustained improvement in profitability, with RoMA reaching 2.8-3.0% on a steady state basis
- \* Diversification of resource profile at optimal cost of funding
- \* Significant improvement in market position, along with sound asset quality

**Downward factors:**

- \* Inability to regain significant market share in the gold loan segment
- \* Any further regulatory developments resulting in sustained weakening of the business profile
- \* Restricted ability to raise resources at competitive rates
- \* Weakening of asset quality, leading to decline in profitability, with consolidated RoMA remaining below 2%.

**About the Company**

IIFL Finance is the listed holding company of the IIFL Finance group and is registered as a systemically important non-deposit-taking, non-banking financial company. The group offers various retail lending products, including gold loans, home loans, LAP, digital loans and microfinance loans, which are the core segments and form 98% of the AUM. Capital market-based lending (margin funding and loans against shares) and construction and developer finance form the balance of the AUM.

**Key Financial Indicators : IIFL Finance (consolidated; CRISIL Ratings-adjusted numbers)**

As on/for the period	Unit	September 30, 2024	Mar 31, 2024/ FY24	Mar 31, 2023/ FY23
Total assets	Rs crore	55,372	62,421	53,001
Total income (net of interest expenses)	Rs crore	3,189	6,608	5,225
PAT	Rs crore	245	1,974	1,608
GNPA	%	2.4	2.3	1.8
RoMA	%	0.6	2.3	2.3
On-book gearing	Times	2.9	3.9	3.9

**Key financial indicators: IIFL Finance (standalone; CRISIL Ratings-adjusted numbers)**

As on / for the period	Unit	September 30, 2024/	Mar 31, 2024/	Mar 31, 2023/
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			FY24	FY23
<b>Total assets</b>	<b>Rs crore</b>	<b>22,730</b>	<b>27,588</b>	<b>24,082</b>
<b>Total income (net of interest expenses)</b>	<b>Rs crore</b>	<b>1,186</b>	<b>2,932</b>	<b>2,633</b>
<b>PAT</b>	<b>Rs crore</b>	<b>-464</b>	<b>585</b>	<b>806</b>
<b>GNPA</b>	<b>%</b>	<b>2.9</b>	<b>3.7</b>	<b>1.3</b>
<b>RoMA</b>	<b>%</b>	<b>(2.8)</b>	<b>1.6</b>	<b>2.4</b>
<b>On-book gearing</b>	<b>Times</b>	<b>2.4</b>	<b>3.6</b>	<b>3.4</b>

**Any other information:** Not Applicable

**Note on complexity levels of the rated instrument:**

CRISIL Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

CRISIL Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the CRISIL Ratings' complexity levels please visit [www.crisilratings.com](http://www.crisilratings.com). Users may also call the Customer Service Helpdesk with queries on specific instruments.

**Annexure - Details of Instrument(s)**

ISIN	Name of instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs.Crore)	Complexity level	Rating assigned with outlook
INE530B07104	Non-convertible debentures#	30-Jun-21	8.33	30-Jun-28	125	Simple	CRISIL AA/Stable
INE530B07104	Non-convertible debentures#	30-Jun-21	8.33	30-Jun-29	125	Simple	CRISIL AA/Stable
INE530B07104	Non-convertible debentures#	30-Jun-21	8.33	30-Jun-30	125	Simple	CRISIL AA/Stable
INE530B07104	Non-convertible debentures#	30-Jun-21	8.33	30-Jun-31	125	Simple	CRISIL AA/Stable
INE530B07195	Non-convertible debentures#	21-Jan-22	8.50	21-Jan-32	10	Simple	CRISIL AA/Stable
INE530B07203	Non-convertible debentures#	24-Mar-22	8.60	24-Mar-32	60	Simple	CRISIL AA/Stable
INE530B08128	Subordinated NCD#	24-Mar-22	9.35	24-Mar-32	50	Complex	CRISIL AA/Stable
INE866I08279	Subordinated NCD#	7-Feb-19	10.00	7-Feb-29	31.02	Complex	CRISIL AA/Stable
INE866I08295	Subordinated NCD#	7-Feb-19	10.50	7-Feb-29	15.45	Complex	CRISIL AA/Stable
INE866I08303	Subordinated NCD#	6-Sep-19	10.00	6-Jun-25	25.93	Complex	CRISIL AA/Stable
INE866I08311	Subordinated NCD#	6-Sep-19	Zero Coupon	6-Jun-25	5.78	Complex	CRISIL AA/Stable
INE530B07237	Non-convertible debentures#	1-Nov-22	9.45	1-Nov-32	550	Simple	CRISIL AA/Stable
INE530B08136	Subordinated NCD#	26-Jul-22	9.65	26-Jul-32	125	Complex	CRISIL AA/Stable
INE530B08136	Subordinated NCD#	12-Sep-22	9.65	26-Jul-32	80	Complex	CRISIL AA/Stable
INE530B08136	Subordinated NCD#	4-Nov-22	9.65	26-Jul-32	30	Complex	CRISIL AA/Stable
INE530B08151	Subordinated NCD#	8-May-23	9.20	8-May-33	35	Complex	CRISIL AA/Stable
INE530B07211	Non-convertible debentures#	15-Jul-22	9.00	15-Jul-32	10	Simple	CRISIL AA/Stable
INE530B08144	Non-convertible debentures#	27-Dec-22	9.45	27-Dec-32	65	Simple	CRISIL AA/Stable
INE866I08246	Subordinated NCD#	21-Nov-17	8.70	19-Nov-27	100	Complex	CRISIL AA/Stable
INE530B07401	Non-convertible debentures#	20-Mar-24	9.50	20-Mar-27	500	Simple	CRISIL AA/Stable
INE530B08169	Subordinated NCD#	16-Oct-24	9.50	16-Oct-34	75	Simple	CRISIL AA/Stable
NA	Non-convertible debentures#**	NA	NA	NA	3429.84	Simple	CRISIL AA/Stable
INE530B07161	Non-convertible debentures&#	14-Oct-21	8.42	14-Oct-26	147.25	Simple	CRISIL AA/Stable
INE530B07179	Non-convertible debentures&#	14-Oct-21	8.75	14-Oct-26	136.08	Simple	CRISIL AA/Stable
INE530B07187	Non-convertible debentures&#	14-Oct-21	Zero Coupon	14-Oct-26	29.31	Simple	CRISIL AA/Stable
INE530B08094	Subordinated NCD&#	24-Mar-21	10.00	24-Jun-28	274.69	Complex	CRISIL AA/Stable
INE530B08102	Subordinated NCD&#	24-Mar-21	9.60	24-Jun-28	328.02	Complex	CRISIL AA/Stable
INE530B08110	Subordinated NCD&#	24-Mar-21	Zero Coupon	24-Jun-28	68.14	Complex	CRISIL AA/Stable
INE530B07260	Non-convertible debentures&#	24-Jan-23	9.00	24-Jan-28	118.9332	Simple	CRISIL AA/Stable
INE530B07294	Non-convertible debentures&#	24-Jan-23	8.75	24-Jan-26	57.2141	Simple	CRISIL AA/Stable
INE530B07302	Non-convertible debentures&#	24-Jan-23	Zero Coupon	24-Jan-25	30.068	Simple	CRISIL AA/Stable
INE530B07252	Non-convertible debentures&#	24-Jan-23	8.50	24-Jan-25	45.6339	Simple	CRISIL AA/Stable
INE530B07278	Non-convertible debentures&#	24-Jan-23	Zero Coupon	24-Jan-28	37.857	Simple	CRISIL AA/Stable
INE530B07286	Non-convertible debentures&#	24-Jan-23	Zero Coupon	24-Jan-26	24.1343	Simple	CRISIL AA/Stable
INE530B07310	Non-convertible debentures&#	24-Jan-23	8.65	24-Jan-28	158.2677	Simple	CRISIL AA/Stable
INE530B07336	Non-convertible debentures&#	28-Jun-23	8.35	28-Jun-25	46.9841	Simple	CRISIL AA/Stable
INE530B07344	Non-convertible debentures&#	28-Jun-23	8.50	28-Jun-26	123.584	Simple	CRISIL AA/Stable
INE530B07351	Non-convertible debentures&#	28-Jun-23	Zero Coupon	28-Jun-26	8.9101	Simple	CRISIL AA/Stable

INE530B07369	Non-convertible debentures&#	28-Jun-23	Zero Coupon	28-Jun-28	37.515	Simple	CRISIL AA/Stable
INE530B07377	Non-convertible debentures&#	28-Jun-23	9.00	28-Jun-28	131.9425	Simple	CRISIL AA/Stable
INE530B07385	Non-convertible debentures&#	28-Jun-23	8.65	28-Jun-28	88.9121	Simple	CRISIL AA/Stable
INE530B07393	Non-convertible debentures&#	28-Jun-23	Zero Coupon	28-Jun-25	14.2375	Simple	CRISIL AA/Stable
NA	Non-convertible debentures&#**	NA	NA	NA	2575.807	Simple	CRISIL AA/Stable
NA	Long-term principal protected market linked debentures**	NA	NA	NA	859	Highly Complex	CRISIL PPMLD AA/Stable
NA	Perpetual bonds**	NA	NA	NA	300	Highly Complex	CRISIL AA-/Stable
NA	Commercial paper programme (IPO financing)	NA	NA	7-30 days	500	Simple	CRISIL A1+
NA	Commercial paper	NA	NA	7-365 days	8500	Simple	CRISIL A1+
NA	Term loan - 1	NA	NA	31-Aug-25	187.37	NA	CRISIL AA/Stable
NA	Term loan - 2	NA	NA	31-Dec-25	370	NA	CRISIL AA/Stable
NA	Term loan - 3	NA	NA	30-Sep-26	62.26	NA	CRISIL AA/Stable
NA	Term loan - 4	NA	NA	1-Mar-27	30.47	NA	CRISIL AA/Stable
NA	Term loan - 5	NA	NA	28-Feb-25	25	NA	CRISIL AA/Stable
NA	Term loan - 6	NA	NA	30-Mar-25	145.4	NA	CRISIL AA/Stable
NA	Term loan - 7	NA	NA	25-Jan-25	29.82	NA	CRISIL AA/Stable
NA	Term loan - 8	NA	NA	1-Dec-25	50	NA	CRISIL AA/Stable
NA	Term loan - 9	NA	NA	29-Jun-27	157.76	NA	CRISIL AA/Stable
NA	Term loan - 10	NA	NA	22-Aug-24	14.29	NA	CRISIL AA/Stable
NA	Term loan - 11	NA	NA	31-Dec-25	45	NA	CRISIL AA/Stable
NA	Term loan - 12	NA	NA	14-Dec-27	366.27	NA	CRISIL AA/Stable
NA	Term loan - 13	NA	NA	29-Feb-28	187.29	NA	CRISIL AA/Stable
NA	Term loan - 14	NA	NA	29-Mar-28	221.74	NA	CRISIL AA/Stable
NA	Term loan - 15	NA	NA	8-Aug-25	250	NA	CRISIL AA/Stable
NA	Term loan - 16	NA	NA	1-Oct-26	77.27	NA	CRISIL AA/Stable
NA	Term loan - 17	NA	NA	30-Sep-26	56.25	NA	CRISIL AA/Stable
NA	Term loan - 18	NA	NA	1-Nov-27	655.76	NA	CRISIL AA/Stable
NA	Term loan - 19	NA	NA	30-Nov-28	224.86	NA	CRISIL AA/Stable
NA	Term loan - 20	NA	NA	30-Sep-28	425	NA	CRISIL AA/Stable
NA	Term loan - 21	NA	NA	30-Dec-26	208.27	NA	CRISIL AA/Stable
NA	Term loan - 22	NA	NA	29-Dec-26	137.5	NA	CRISIL AA/Stable
NA	Term loan - 23	NA	NA	27-Jan-29	569.93	NA	CRISIL AA/Stable
NA	Term loan - 24	NA	NA	31-Jan-28	499.83	NA	CRISIL AA/Stable
NA	Term loan - 25	NA	NA	3-Nov-29	1000	NA	CRISIL AA/Stable
NA	Cash credit	NA	NA	NA	25	NA	CRISIL AA/Stable
NA	Working capital demand loan	NA	NA	NA	540	NA	CRISIL AA/Stable
NA	Proposed long-term bank loan facility*	NA	NA	NA	437.66	NA	CRISIL AA/Stable

#Interchangeable between secured and subordinated debt

\*\*Not yet issued

&For retail bond issuance

\*Interchangeable with short-term bank loan facility

#### **Annexure - Details of Rating Withdrawn**

ISIN	Name Of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
INE530B07146	Non-convertible debentures&#	14-Oct-21	8.50	14-Oct-24	94.08	Simple	Withdrawn
INE530B07153	Non-convertible debentures&#	14-Oct-21	Zero Coupon	14-Oct-24	57.31	Simple	Withdrawn

#Interchangeable between secured and subordinated debt

&For retail bond issuance

#### **Annexure – List of entities consolidated**

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
IIFL Finance Ltd	Full	Parent

IIFL Home Finance Ltd	Full	Subsidiary
IIFL Samasta Finance Ltd	Full	Subsidiary

#### Annexure - Rating History for last 3 Years

Instrument	Type	Current		2024 (History)		2023		2022		2021		Start of 2021
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
<b>Fund Based Facilities</b>	LT	7000.0	CRISIL AA/Stable	30-09-24	CRISIL AA/Stable	27-12-23	CRISIL AA/Positive	28-06-22	CRISIL AA/Stable	31-03-21	CRISIL AA/Stable	CRISIL AA/Negative
			--	13-09-24	CRISIL AA/Watch Developing	12-12-23	CRISIL AA/Positive	11-03-22	CRISIL A1+ / CRISIL AA/Stable		--	--
			--	12-07-24	CRISIL AA/Watch Developing	20-11-23	CRISIL AA/Positive		--		--	--
			--	26-03-24	CRISIL AA/Watch Developing	14-06-23	CRISIL AA/Stable		--		--	--
			--	12-03-24	CRISIL AA/Watch Developing	26-05-23	CRISIL AA/Stable		--		--	--
			--	28-02-24	CRISIL AA/Positive	06-03-23	CRISIL AA/Stable		--		--	--
			--	09-02-24	CRISIL AA/Positive	07-02-23	CRISIL AA/Stable		--		--	--
			--		--	06-01-23	CRISIL AA/Stable		--		--	--
<b>Commercial Paper</b>	ST	8500.0	CRISIL A1+	30-09-24	CRISIL A1+	27-12-23	CRISIL A1+	28-06-22	CRISIL A1+	31-03-21	CRISIL A1+	CRISIL A1+
			--	13-09-24	CRISIL A1+	12-12-23	CRISIL A1+	11-03-22	CRISIL A1+		--	--
			--	12-07-24	CRISIL A1+	20-11-23	CRISIL A1+		--		--	--
			--	26-03-24	CRISIL A1+	14-06-23	CRISIL A1+		--		--	--
			--	12-03-24	CRISIL A1+	26-05-23	CRISIL A1+		--		--	--
			--	28-02-24	CRISIL A1+	06-03-23	CRISIL A1+		--		--	--
			--	09-02-24	CRISIL A1+	07-02-23	CRISIL A1+		--		--	--
			--		--	06-01-23	CRISIL A1+		--		--	--
<b>Commercial Paper Programme(IPO Financing)</b>	ST	500.0	CRISIL A1+	30-09-24	CRISIL A1+	27-12-23	CRISIL A1+	28-06-22	CRISIL A1+	31-03-21	CRISIL A1+	CRISIL A1+
			--	13-09-24	CRISIL A1+	12-12-23	CRISIL A1+	11-03-22	CRISIL A1+		--	--
			--	12-07-24	CRISIL A1+	20-11-23	CRISIL A1+		--		--	--
			--	26-03-24	CRISIL A1+	14-06-23	CRISIL A1+		--		--	--
			--	12-03-24	CRISIL A1+	26-05-23	CRISIL A1+		--		--	--
			--	28-02-24	CRISIL A1+	06-03-23	CRISIL A1+		--		--	--
			--	09-02-24	CRISIL A1+	07-02-23	CRISIL A1+		--		--	--
			--		--	06-01-23	CRISIL A1+		--		--	--
<b>Non Convertible Debentures</b>	LT	10332.9	CRISIL AA/Stable	30-09-24	CRISIL AA/Stable	27-12-23	CRISIL AA/Positive	28-06-22	CRISIL AA/Stable	31-03-21	CRISIL AA/Stable	CRISIL AA/Negative
			--	13-09-24	CRISIL AA/Watch Developing	12-12-23	CRISIL AA/Positive	11-03-22	CRISIL AA/Stable		--	--
			--	12-07-24	CRISIL AA/Watch Developing	20-11-23	CRISIL AA/Positive		--		--	--
			--	26-03-24	CRISIL AA/Watch Developing	14-06-23	CRISIL AA/Stable		--		--	--
			--	12-03-24	CRISIL AA/Watch Developing	26-05-23	CRISIL AA/Stable		--		--	--
			--	28-02-24	CRISIL AA/Positive	06-03-23	CRISIL AA/Stable		--		--	--
			--	09-02-24	CRISIL AA/Positive	07-02-23	CRISIL AA/Stable		--		--	--
			--		--	06-01-23	CRISIL AA/Stable		--		--	--

Perpetual Bonds	LT	300.0	CRISIL AA-/Stable	30-09-24	CRISIL AA-/Stable		--		--		--	--
			--	13-09-24	CRISIL AA-/Watch Developing		--		--		--	--
			--	12-07-24	CRISIL AA-/Watch Developing		--		--		--	--
			--	26-03-24	CRISIL AA-/Watch Developing		--		--		--	--
			--	12-03-24	CRISIL AA-/Watch Developing		--		--		--	--
			--	28-02-24	CRISIL AA-/Positive		--		--		--	--
Subordinated Debt	LT		--		--	20-11-23	Withdrawn	28-06-22	CRISIL AA/Stable	31-03-21	CRISIL AA/Stable	CRISIL AA/Negative
			--		--	14-06-23	CRISIL AA/Stable	11-03-22	CRISIL AA/Stable		--	--
			--		--	26-05-23	CRISIL AA/Stable		--		--	--
			--		--	06-03-23	CRISIL AA/Stable		--		--	--
			--		--	07-02-23	CRISIL AA/Stable		--		--	--
			--		--	06-01-23	CRISIL AA/Stable		--		--	--
Long Term Principal Protected Market Linked Debentures	LT	859.0	CRISIL PPMLD AA/Stable	30-09-24	CRISIL PPMLD AA/Stable	27-12-23	CRISIL PPMLD AA/Positive	28-06-22	CRISIL PPMLD AA r/Stable	31-03-21	CRISIL PPMLD AA r/Stable	CRISIL PPMLD AA r/Negative
			--	13-09-24	CRISIL PPMLD AA/Watch Developing	12-12-23	CRISIL PPMLD AA/Positive	11-03-22	CRISIL PPMLD AA r/Stable		--	--
			--	12-07-24	CRISIL PPMLD AA/Watch Developing	20-11-23	CRISIL PPMLD AA/Positive		--		--	--
			--	26-03-24	CRISIL PPMLD AA/Watch Developing	14-06-23	CRISIL PPMLD AA/Stable		--		--	--
			--	12-03-24	CRISIL PPMLD AA/Watch Developing	26-05-23	CRISIL PPMLD AA/Stable		--		--	--
			--	28-02-24	CRISIL PPMLD AA/Positive	06-03-23	CRISIL PPMLD AA/Stable		--		--	--
			--	09-02-24	CRISIL PPMLD AA/Positive	07-02-23	CRISIL PPMLD AA/Stable		--		--	--
			--		--	06-01-23	CRISIL PPMLD AA r/Stable		--		--	--

All amounts are in Rs.Cr.

#### Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Cash Credit	25	HDFC Bank Limited	CRISIL AA/Stable
Proposed Long Term Bank Loan Facility <sup>&amp;</sup>	437.66	Not Applicable	CRISIL AA/Stable
Term Loan	137.5	Bandhan Bank Limited	CRISIL AA/Stable
Term Loan	499.83	Canara Bank	CRISIL AA/Stable
Term Loan	30.47	IDBI Bank Limited	CRISIL AA/Stable
Term Loan	29.82	The Karnataka Bank Limited	CRISIL AA/Stable
Term Loan	208.27	Indian Bank	CRISIL AA/Stable
Term Loan	187.37	Canara Bank	CRISIL AA/Stable
Term Loan	366.27	Punjab and Sind Bank	CRISIL AA/Stable
Term Loan	1000	Indian Overseas Bank	CRISIL AA/Stable
Term Loan	145.4	State Bank of India	CRISIL AA/Stable
Term Loan	77.27	Nabkisan Finance Limited	CRISIL AA/Stable
Term Loan	221.74	Canara Bank	CRISIL AA/Stable
Term Loan	187.29	Union Bank of India	CRISIL AA/Stable

Term Loan	25	Bajaj Finance Limited	CRISIL AA/Stable
Term Loan	50	Bajaj Finance Limited	CRISIL AA/Stable
Term Loan	45	DCB Bank Limited	CRISIL AA/Stable
Term Loan	224.86	Union Bank of India	CRISIL AA/Stable
Term Loan	655.76	Bank of Baroda	CRISIL AA/Stable
Term Loan	62.26	Indian Overseas Bank	CRISIL AA/Stable
Term Loan	56.25	DCB Bank Limited	CRISIL AA/Stable
Term Loan	370	National Bank For Agriculture and Rural Development	CRISIL AA/Stable
Term Loan	425	National Bank For Agriculture and Rural Development	CRISIL AA/Stable
Term Loan	569.93	State Bank of India	CRISIL AA/Stable
Term Loan	157.76	Canara Bank	CRISIL AA/Stable
Term Loan	14.29	Bandhan Bank Limited	CRISIL AA/Stable
Term Loan	250	HDFC Bank Limited	CRISIL AA/Stable
Working Capital Demand Loan	240	The Hongkong and Shanghai Banking Corporation Limited	CRISIL AA/Stable
Working Capital Demand Loan	200	IDFC FIRST Bank Limited	CRISIL AA/Stable
Working Capital Demand Loan	100	RBL Bank Limited	CRISIL AA/Stable

&Interchangeable with short term bank loan facility

## Criteria Details

Links to related criteria
<a href="#">CRISILs Bank Loan Ratings - process, scale and default recognition</a>
<a href="#">Rating Criteria for Finance Companies</a>
<a href="#">Rating criteria for hybrid debt instruments of NBFCs/HFCs</a>
<a href="#">CRISILs Criteria for rating short term debt</a>
<a href="#">CRISILs Criteria for Consolidation</a>

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