



Performance review

Quarter ended March 31, 2021 (Q4FY21)

Bloomberg: IIFL IN

IIFL Finance Limited

May 06, 2021

I. Q4FY21 Financial performance

i. Key highlights

ii. Financial performance and growth

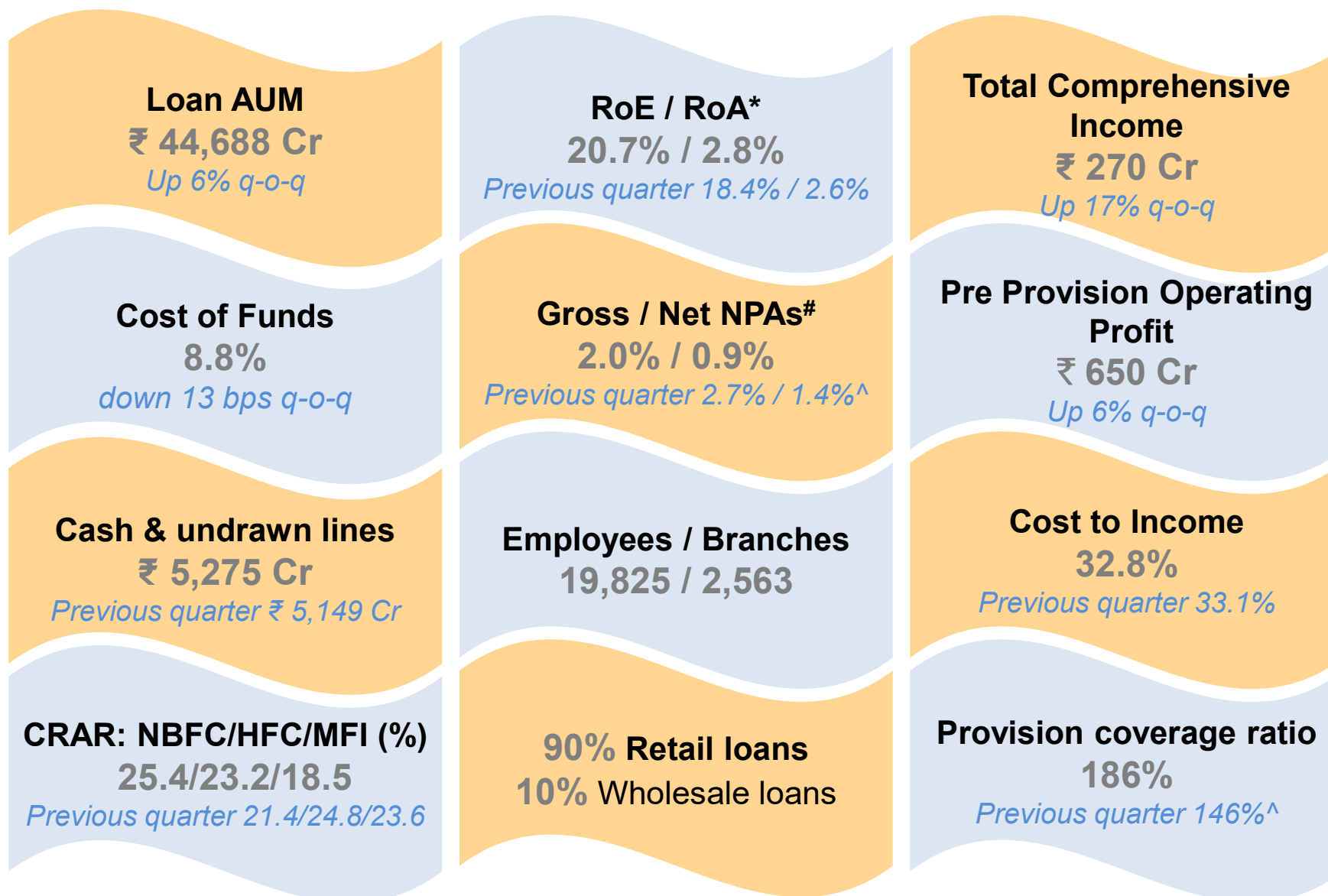
iii. Asset quality

iv. Liquidity position

II. Business segments review

III. Corporate and others

Key highlights for the quarter ended March 2021..



*RoE and RoA quarterly numbers are annualised

^GNPA and NNPA are proforma

#Excluding discontinued Healthcare equipment finance (HCF) business

I. Q4FY21 Financial performance

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IIFL Finance – Consolidated results (as per IND AS)

Quarter and year ended March 31, 2021 (NBFC, HFC and MFI)



₹ Cr	Q4FY21	Q4FY20	Y-o-Y	Q3FY21	Q-o-Q	FY21	FY20	Y-o-Y
Interest income	1,254.9	1,103.3	14%	1,184.5	6%	4,709.7	4,043.1	16%
Interest expense	(680.6)	(603.2)	13%	(611.3)	11%	(2,608.3)	(2,405.1)	8%
Net interest income	574.3	500.1	15%	573.2	0%	2,101.4	1,638.0	28%
Income from assigned assets	240.8	179.6	34%	208.2	16%	852.8	708.2	20%
Fee & other income	153.0	2.7	-	137.9	11%	409.4	112.9	263%
Total income	968.1	682.4	42%	919.3	5%	3,363.6	2,459.1	37%
Operating expense	(317.6)	(329.9)	(4%)	(303.9)	4%	(1,190.2)	(1,267.7)	(6%)
Pre provision operating profit	650.5	352.5	85%	615.4	6%	2,173.4	1,191.4	82%
Loan losses & provision	(329.9)	(337.9)	(2%)	(267.2)	23%	(1,168.6)	(466.2)	151%
Profit before tax	320.6	14.6	2099%	348.2	(8%)	1,004.8	725.2	39%
Profit after tax	247.8	58.9	321%	268.5	(8%)	760.8	503.5	51%
Total Comprehensive Income(TCI)	269.8	54.8	392%	231.4	17%	736.5	496.8	48%
Book value per share (₹)	138.8	123.2	13%	135.8	2%	138.8	123.2	13%
Earnings per share (₹ not annualized)	6.5	1.6		7.1		20.1	13.3	
RoE (annualized)	20.7%	4.7%		18.4%		14.8%	11.1%	

Income analysis (Consolidated as per IND AS)

Quarter and year ended March 31, 2021 (NBFC, HFC and MFI)



₹ Cr	Q4FY21	Q4FY20	Y-o-Y	Q3FY21	Q-o-Q	FY21	FY20	Y-o-Y
Loan book using Risk Capital	29,784	26,274	13%	27,692	8%	29,784	26,274	13%
Securitized book#	3,828	1,960	95%	3,201	20%	3,828	1,960	95%
Loan Book (Ind AS Balance sheet)	33,612	28,234	19%	30,893	9%	33,612	28,234	19%
Assigned assets	11,076	9,717	14%	11,371	(3%)	11,076	9,717	14%
Assets under management	44,688	37,951	18%	42,264	6%	44,688	37,951	18%

₹ Cr	Q4FY21	Q4FY20	Y-o-Y	Q3FY21	Q-o-Q	FY21	FY20	Y-o-Y
Interest income	1,254.9	1,103.3	14%	1,184.5	6%	4,709.7	4,043.1	16%
Interest expense	(680.6)	(603.2)	13%	(611.3)	11%	(2,608.3)	(2,405.1)	8%
NII (Ind AS balance sheet) (A)	574.3	500.1	15%	573.2	0%	2,101.4	1,638.0	28%
Income from assigned assets	240.8	179.6	34%	208.2	16%	852.8	708.2	20%
Fee and other income	89.3	59.3	50%	77.6	15%	237.8	174.8	36%
Non-fund based income (B)	330.1	238.9	38%	285.8	15%	1,090.6	883.1	24%
Net gain/loss on fair value changes (C)	63.8	(56.6)	-	60.3	-	171.6	(62.0)	-
Total Income (A)+(B)+(C)	968.1	682.4	42%	919.3	5%	3,363.6	2,459.1	37%

Fund Based: Non fund based ratio (%)								
Fund based income	64%	68%		67%		66%	65%	
Non-fund based income	36%	32%		33%		34%	35%	

#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

Audited as at March 31, 2021 (NBFC, HFC and MFI)



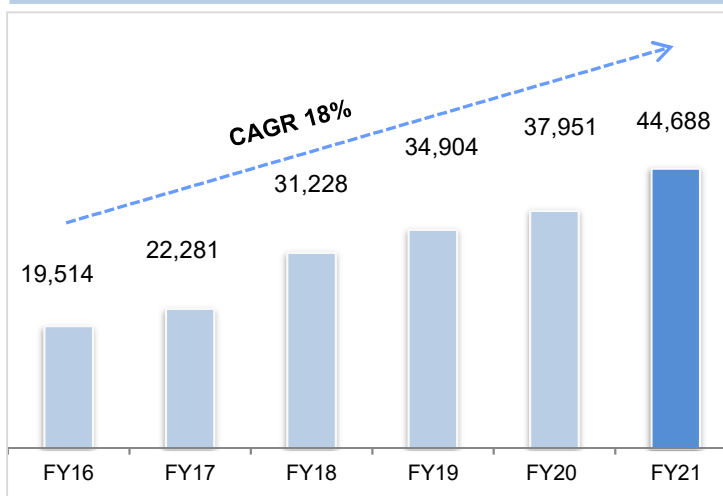
ASSETS		₹ Cr	LIABILITIES AND EQUITY		₹ Cr
1	Financial Assets		1	Financial Liabilities	
(a)	Cash and Bank Balances	4,784	(a)	Payables	110
(b)	Receivables	193	(b)	Borrowings^	
(c)	Loan Assets	33,533		- NCDs	10,632
(d)	Investments	32		- Others	21,624
(e)	Other financial assets	541	(c)	Other financial liabilities	2,571
	Total Financial Assets (A)	39,083		Total Financial Liabilities (A)	34,937
2	Non-Financial Assets		2	Non-Financial Liabilities (B)	337
(a)	Current & Deferred tax assets (Net)	574			
(b)	Property, Plant and Equipment etc.	681	3	Equity & Reserves (C)	5,393
(c)	Other non-financial assets	329			
	Total Non-Finance Assets (B)	1,584			
	Total Assets (A)+(B)	40,667		Total Liabilities and Equity (A)+(B)+(C)	40,667

^includes ₹ 3,828 Cr. securitisation book is classified as debt under IndAS accounting, due to credit enhancement, However legally, this amount is not debt obligation and company's maximum liability is restricted to credit enhancement of 5-7% of the portfolio

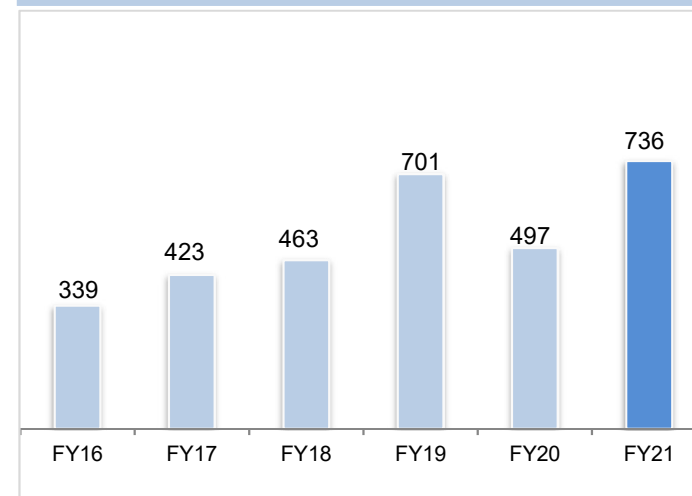
Consistent financial performance and growth over years IIFL FINANCE

- Loan AUM has shown strong growth of 18% y-o-y and 6% q-o-q,
- Total comprehensive income grew by 48% yoy for the full year and 392% yoy for the quarter, with higher volumes and margins.
- NIM on balance sheet assets as well as spread on securitised assets rose with superior product mix and savings in cost of funds.

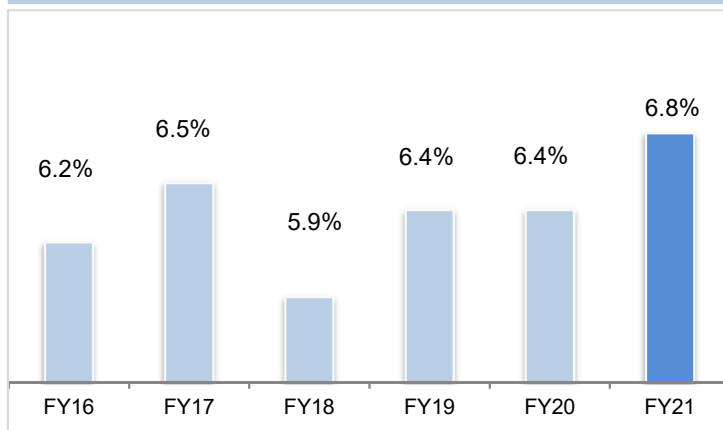
Loan AUM (₹ Cr)



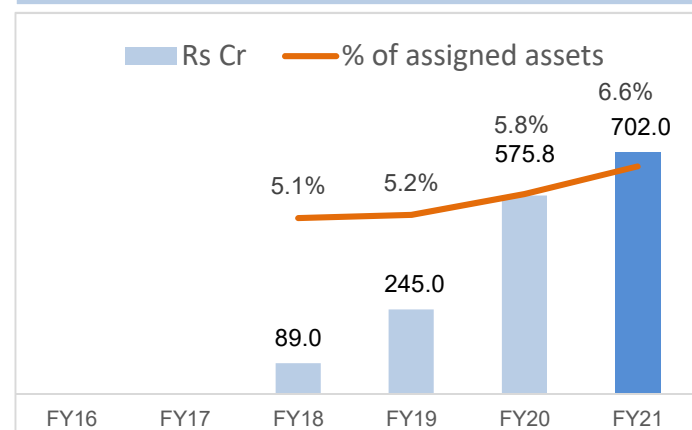
Total comprehensive income (₹ Cr)



NIM on Balance Sheet assets (%)



Spread on assigned assets

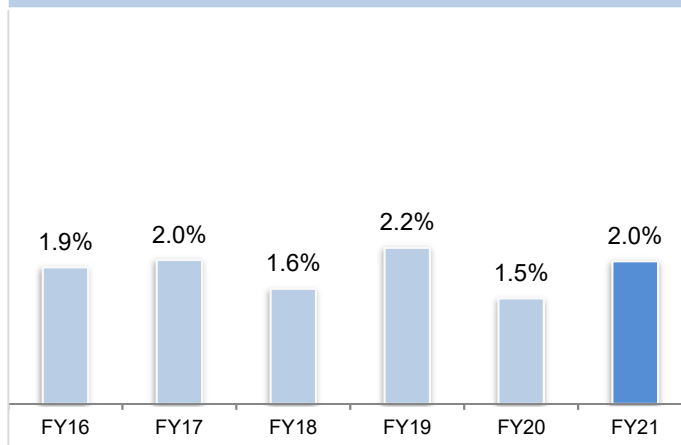


• Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

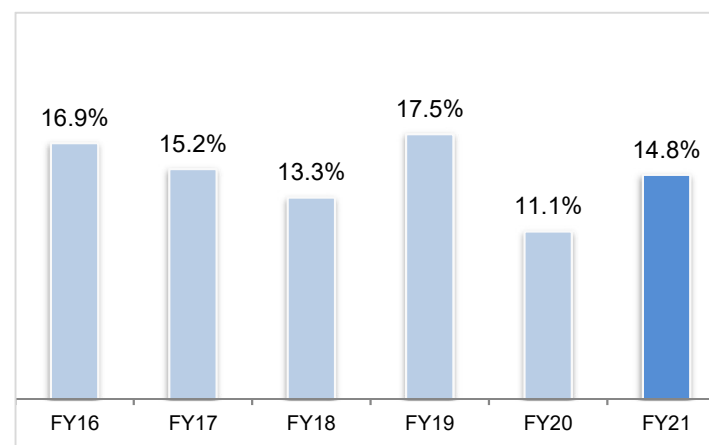
Robust and improving financial position

- ROA & ROE have risen to 2% and 15% in FY21, the same for Q4FY21 stood at 2.8% & 20.7% annualized.
- Cost to income saw a steep fall with loan volume growth and cost control.
- Capital Adequacy Ratios (CAR) improved as company raised ₹670cr by sub debt.
- Debt/ equity (excluding securitization) was 4.67x as at March 21 (PY 4.88x). The same as per IndAS was 5.5x and 5.48x respectively.

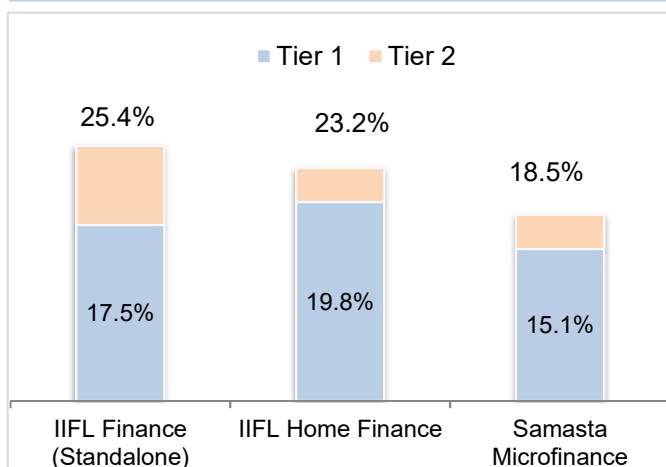
Return on assets (%)



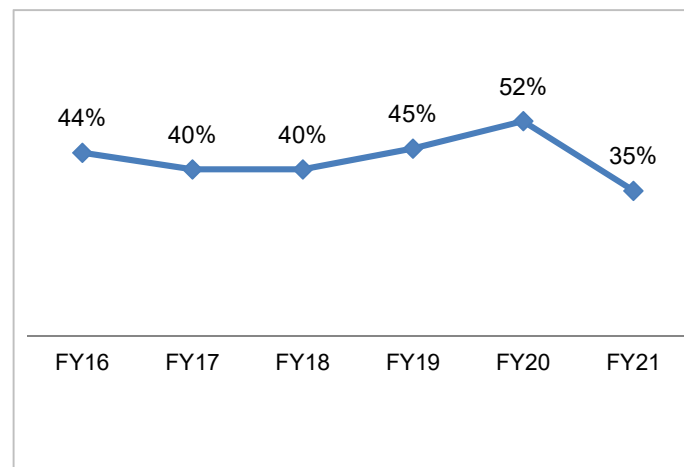
Return on equity (%)



Capital adequacy ratio (%)



Cost to income (%)

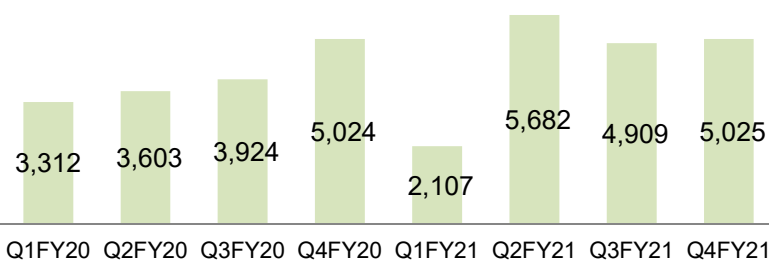


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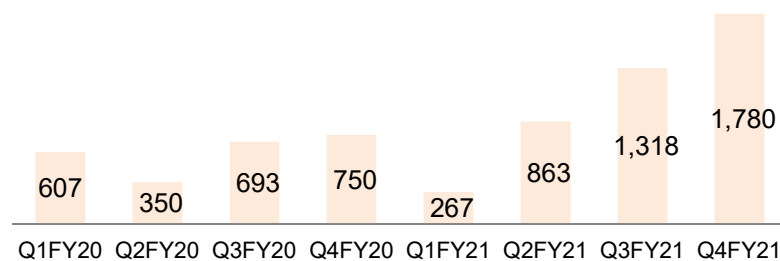
Loan disbursements have picked up to pre Covid levels.. IIFL FINANCE

Disbursement trends (₹ In Crs)

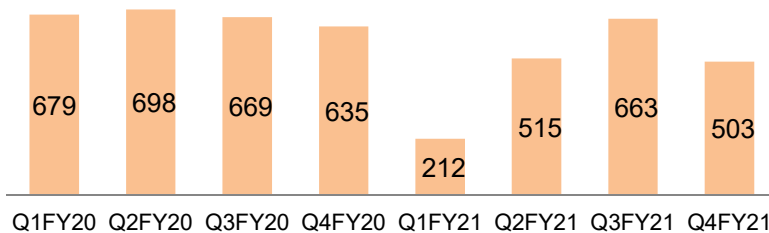
Gold Loan



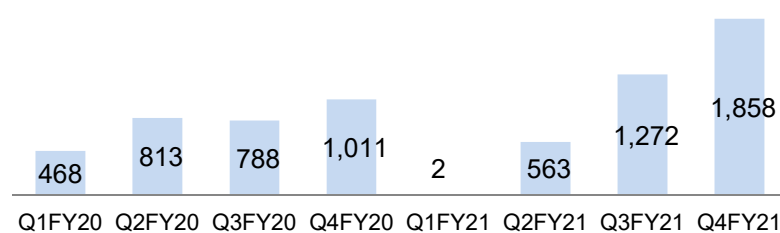
Home Loan



Business Loans



Microfinance



In FY21, we have disbursed ₹ 344 Cr. amount under Emergency Credit Line Guarantee Scheme (ECLGS), included in business loans

I. Q4FY21 Financial performance

i. Key highlights

ii. Financial performance and growth

iii. Asset quality

iv. Liquidity position

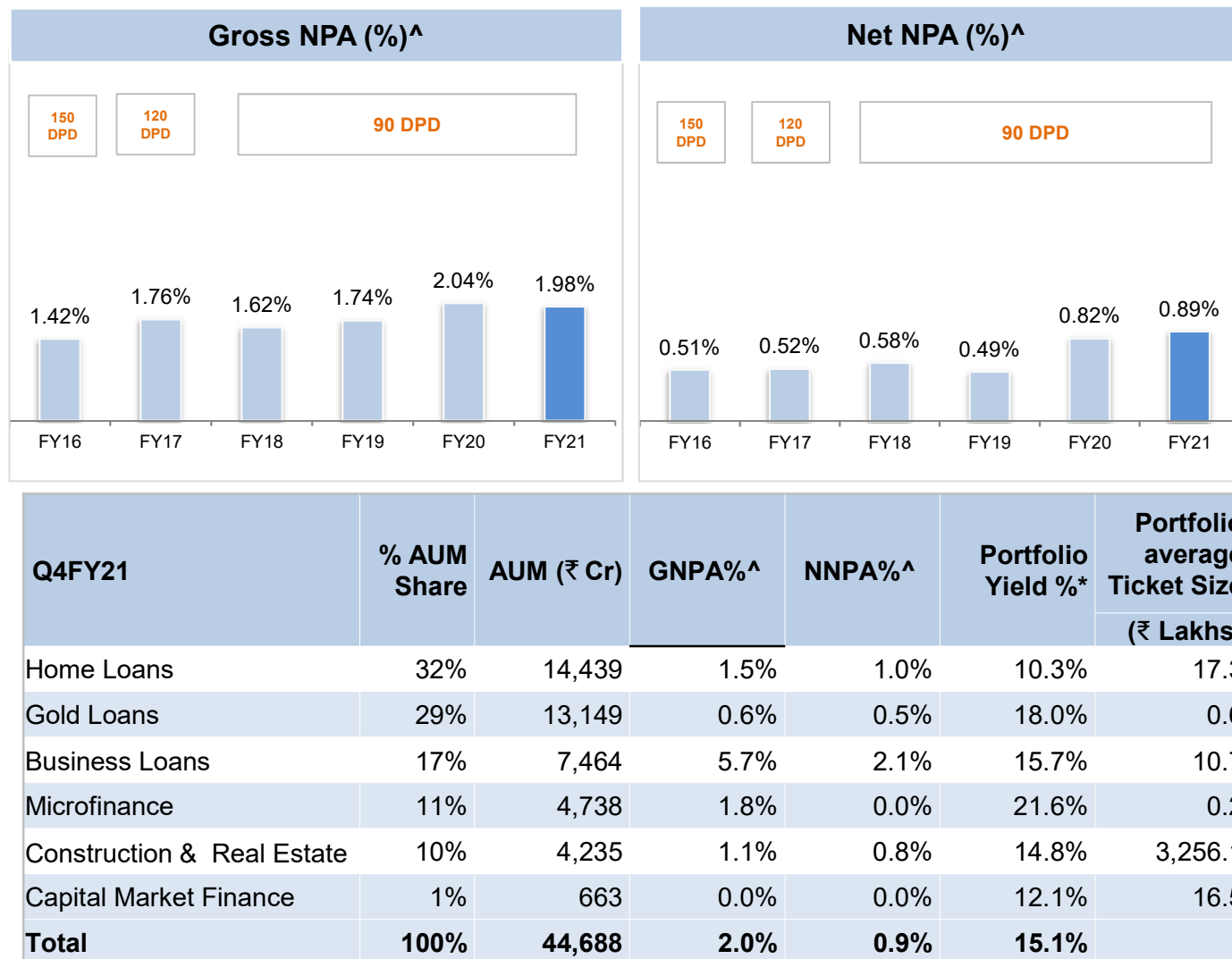
II. Business segments review

III. Corporate and others

Superior asset quality maintained through cycles...



- Excluding discontinued business of Healthcare Equipment Finance (HCF), the GNPA stands at 1.98% and NNPA at 0.89%
- During the quarter, slippages were mostly in Business Loans and Micro finance. We have taken aggressive write offs and provisioning to cushion for possible Covid impact.
- Under IndAS, provision coverage on NPAs was 186%, compared to 146% in the previous quarter.



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

^GNPA and NNPA numbers excluding discontinued Healthcare equipment finance (HCF) business

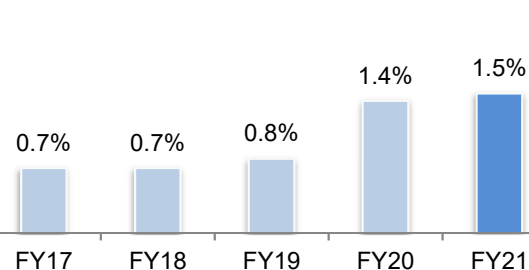
Superior asset quality in all business segments

Credit quality has been steady across key product segments

Core growth segments

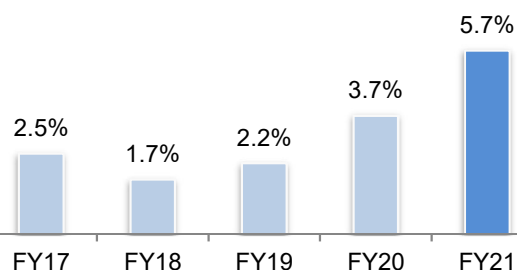
Home loans

Gross NPAs (%)



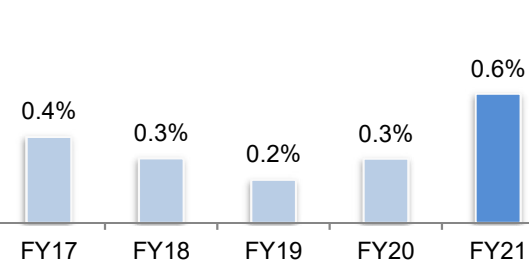
Business loans

Gross NPAs (%)



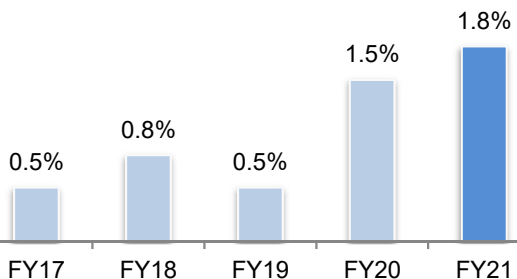
Gold loans

Gross NPAs (%)



Microfinance

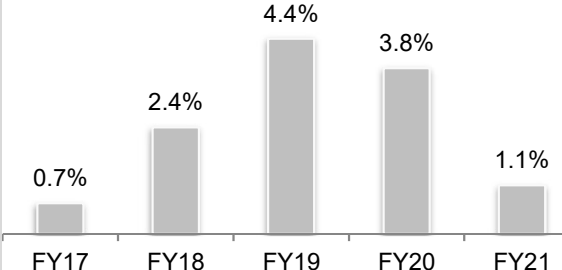
Gross NPAs (%)



Synergistic segments

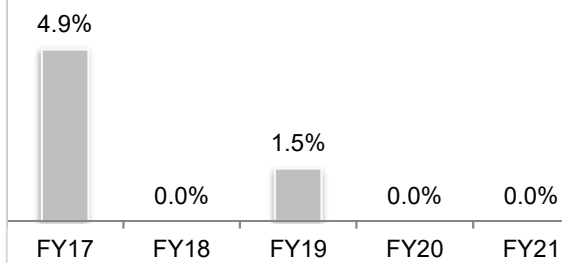
Construction & Real Estate finance

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 March 31, 2021 (NBFC, HFC and MFI)



₹ in Crores

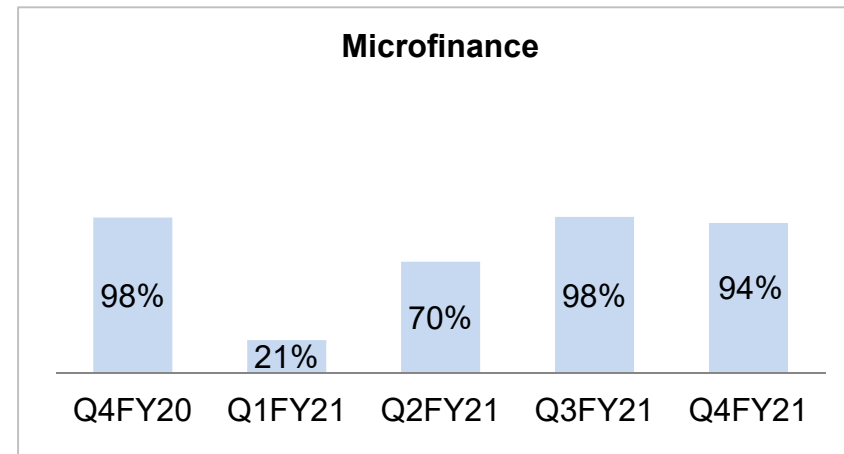
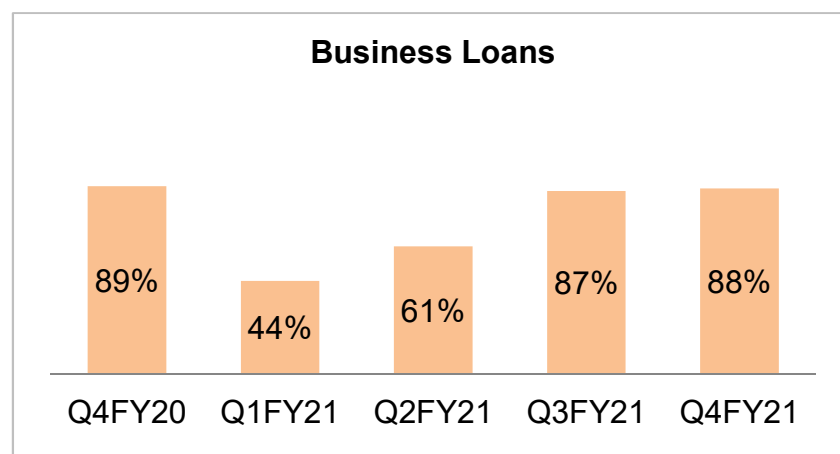
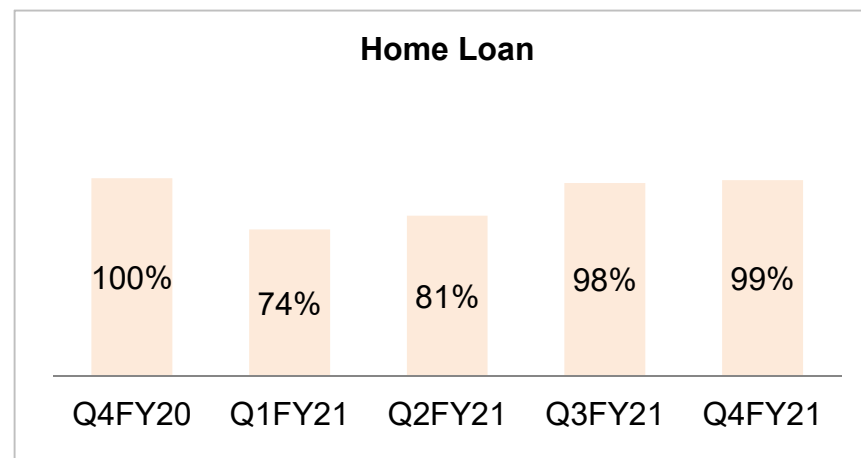
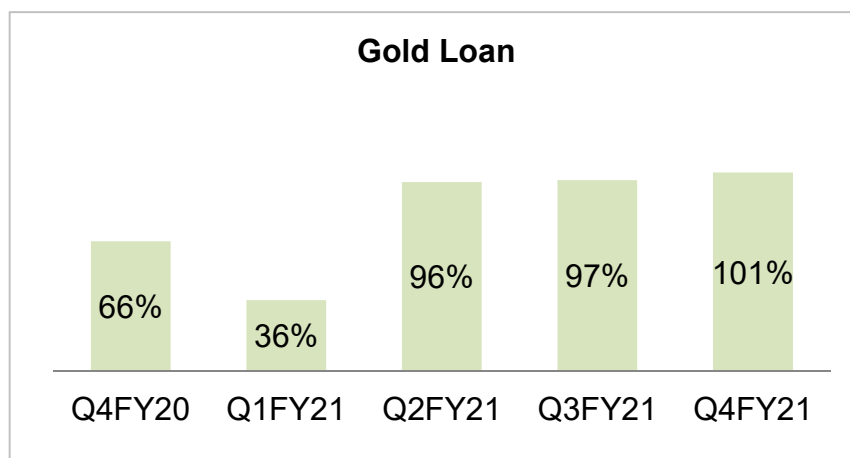
Business	Loan Book				Provision %			Provision	
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	As per ECL	As per RBI
Home Loans	9,318.4	321.5	147.2	9,787.1	1.3%	5.9%	30.4%	186.1	73.2
Business Loans	5,003.9	722.9	343.1	6,069.9	2.2%	9.6%	63.7%	399.9	104.9
- Secured	3,723.0	384.1	145.5	4,252.5	1.6%	12.2%	44.0%	170.1	57.3
- Unsecured	1,280.9	338.8	197.7	1,817.3	4.1%	6.7%	78.1%	229.8	47.6
Gold Loans	7,015.8	1,630.3	50.8	8,696.9	0.4%	1.6%	21.5%	66.9	44.6
Microfinance	3,828.0	156.3	74.5	4,058.8	1.9%	4.2%	100.0%	154.2	57.6
Construction & Real Estate	3,800.0	388.4	46.4	4,234.9	9.4%	27.0%	31.8%	476.7	261.4
Capital Market Finance	506.3	156.7	0.0	663.1	0.4%	11.7%	0.0%	20.5	17.1
Total	29,472.4	3,376.0	662.2	33,510.6	2.4%	7.2%	54.9%	1,304.4	558.8

Note:

1. Excluding discontinued Healthcare business

Collection efficiency in Q4 was significantly better

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



*Including arrears but excluding prepayments

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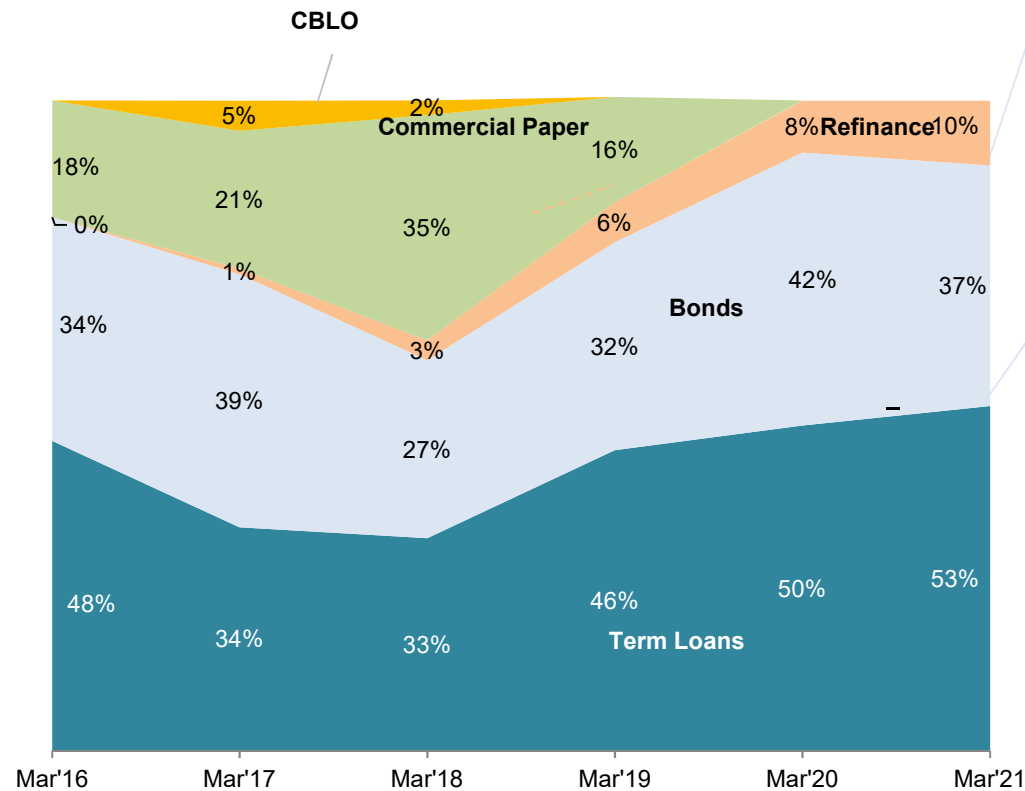
III. Corporate and others

Well diversified sources of funding..

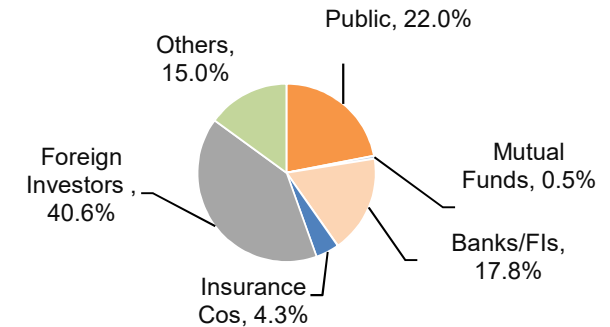
Resource profile is well diversified, with increasing share of bank loans

Outstanding borrowing (₹ Crs)

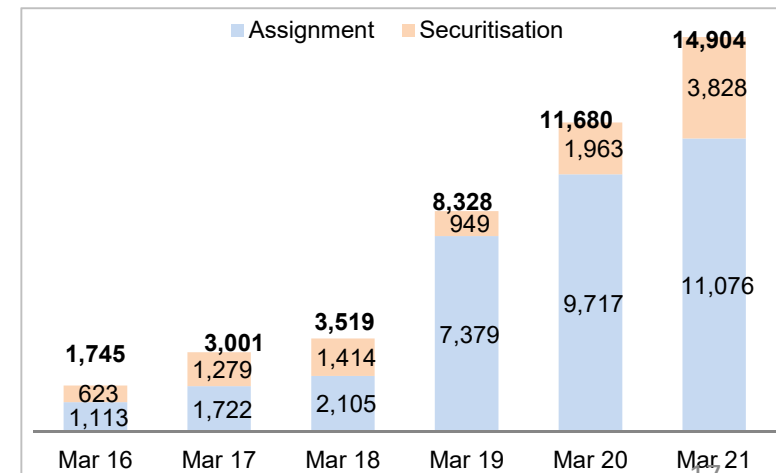
15,395	17,982	24,539	26,141	25,734	28,428
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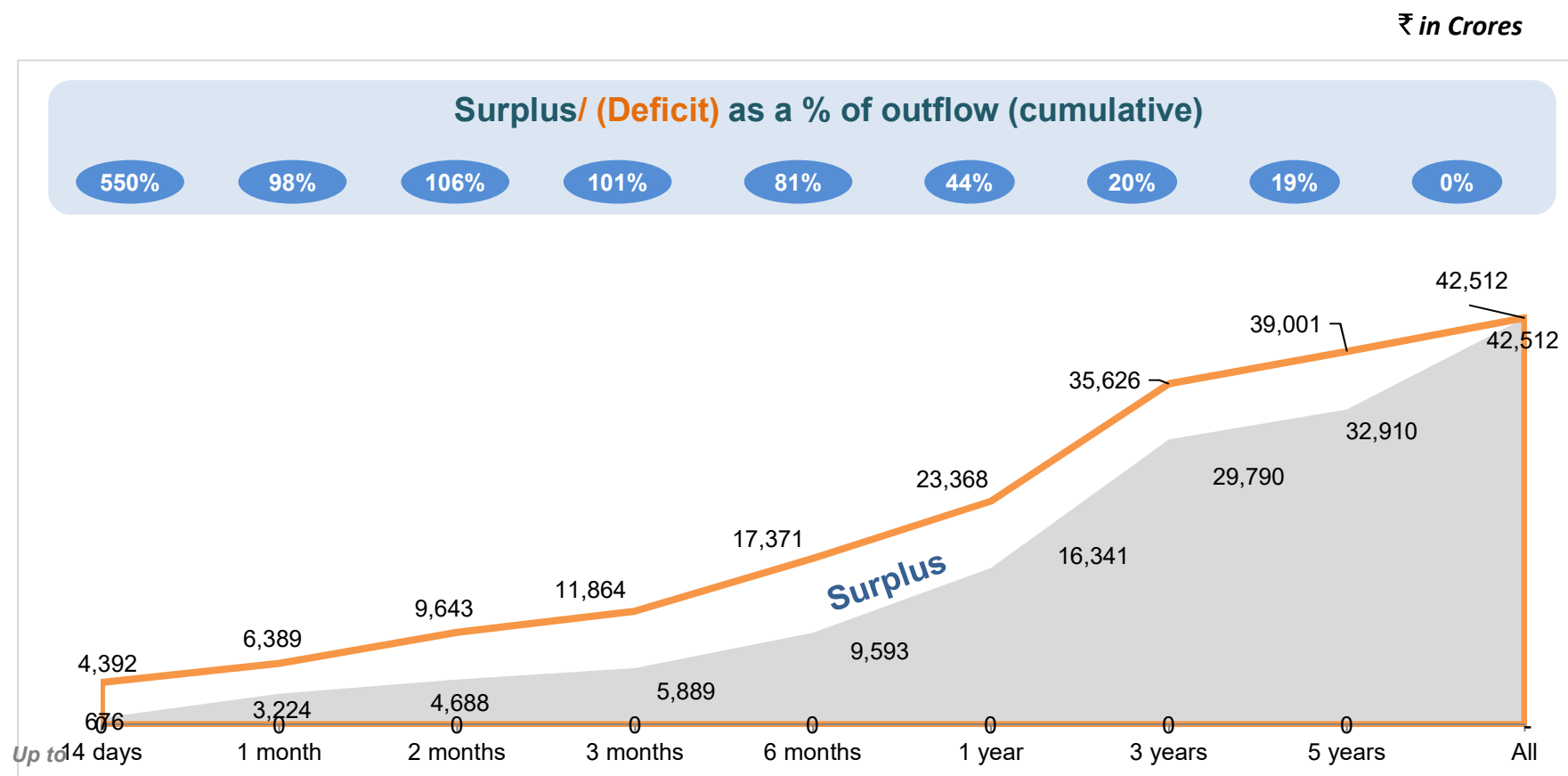
Bonds/ NCDs investors split (%)



Outstanding assignment/securitisation (₹ Cr)

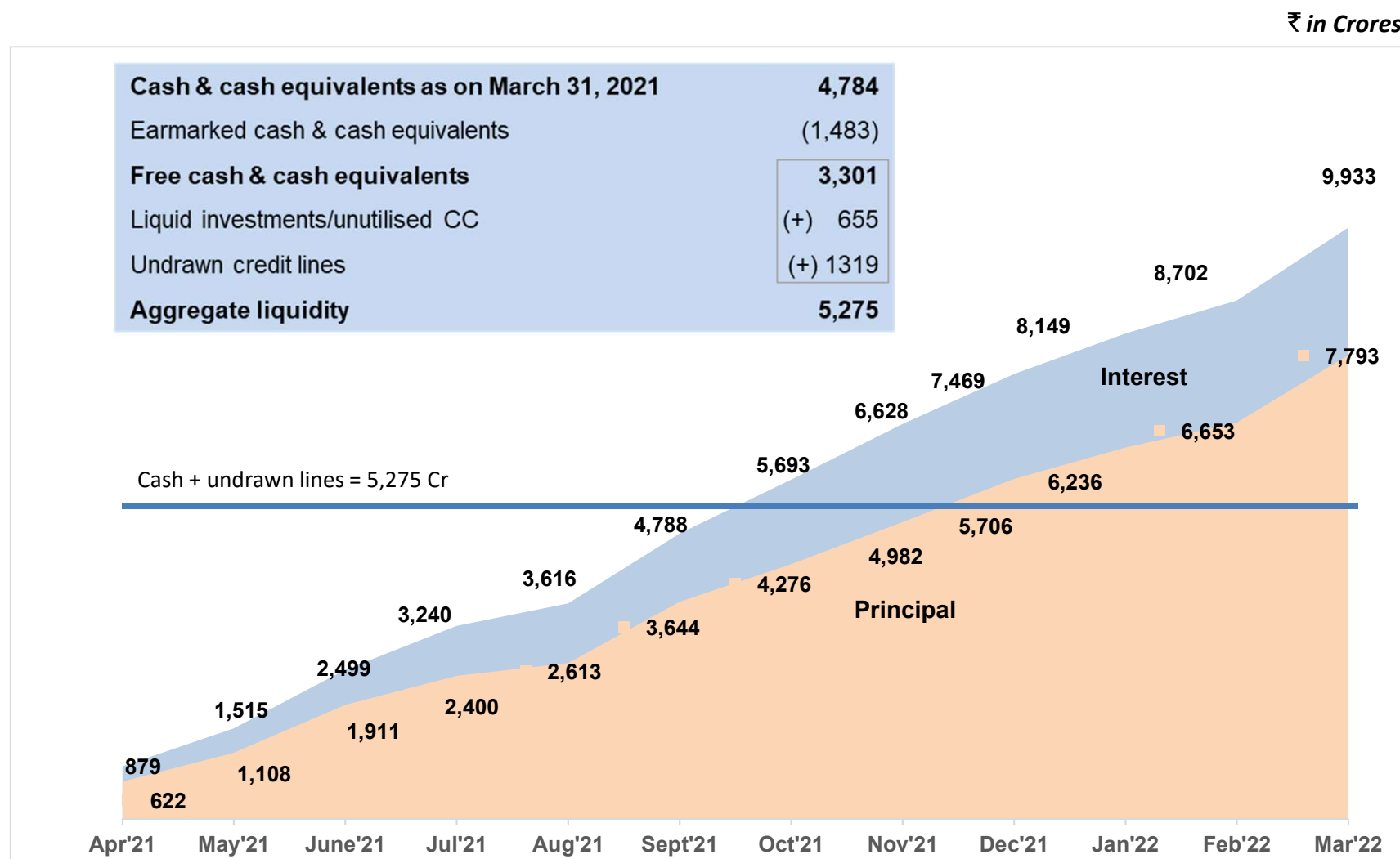


Structural Liquidity- Surplus across all buckets

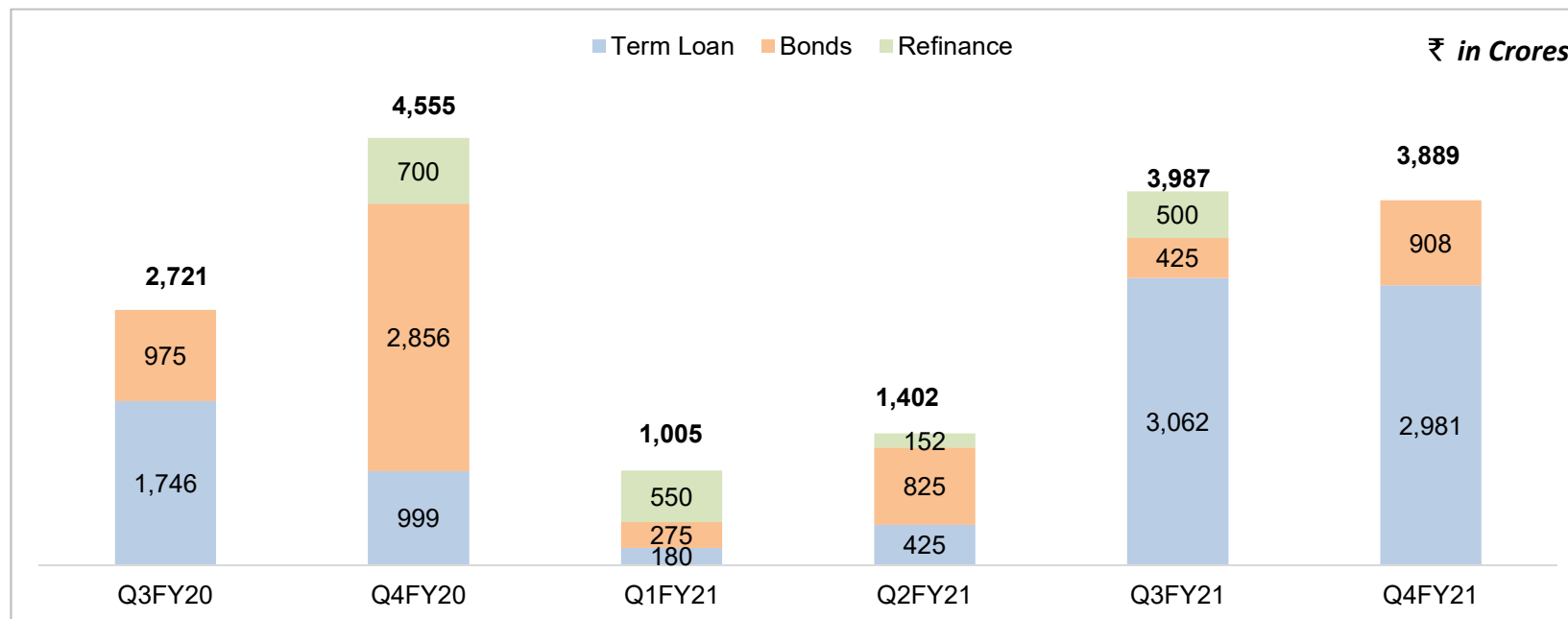


This ALM chart shows structural liquidity at consolidated level for IIFL Finance & its subsidiaries. This is prepared broadly based on RBI format, assuming static balance sheet position, not taking into account fresh disbursements. The inflows consider collection of only standard assets, excluding assigned 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



Debt resource raising trend



During the quarter:

- IIFL's long term credit rating from CRISIL **AA** (Outlook: Stable).
- IIFL raised ₹670 crores by way of long term subordinated bonds, boosting the capital adequacy. Besides, the company raised ₹ 2,981 Cr through term loans and securitized/ assigned loans of ₹ 3,189 Cr in Q4FY21
- Till April 2021, we bought back USD 9 million (nominal value) of our MTN issue through open market and further initiated for cancellation of notes. This is close to maximum permissible under RBI regulations currently

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vi. Update on commercial & real estate

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Our diversified product portfolio

As on March 31, 2021

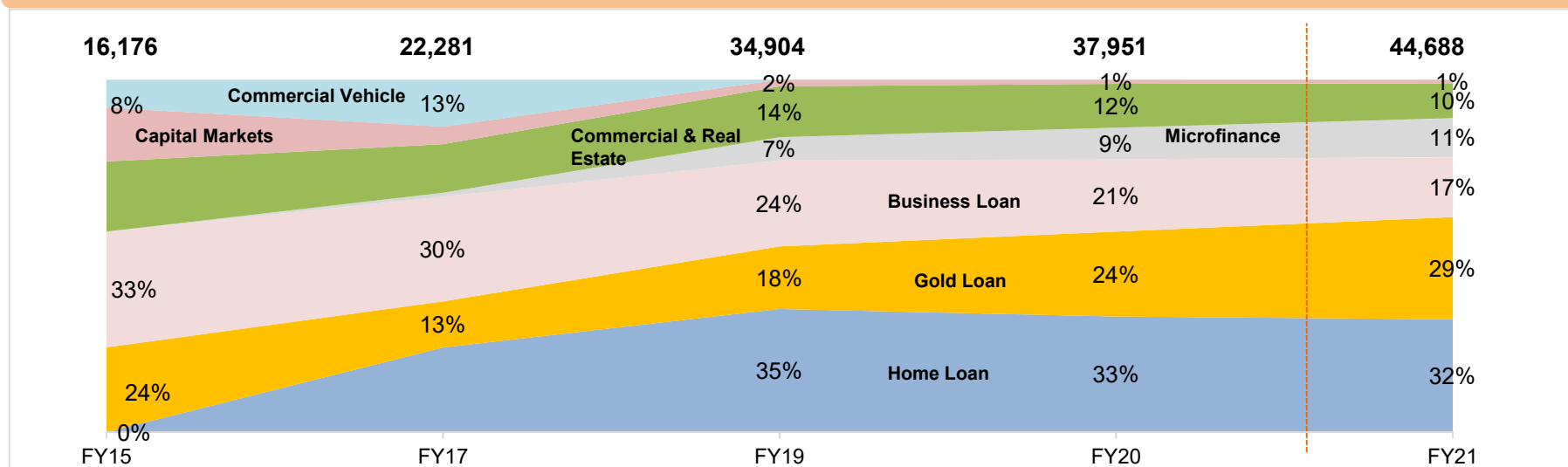
Strategic focus on segments that are core strengths and have *inter se* synergies

		AUM (₹ Cr)	Target customers	Unique features
CORE GROWTH SEGMENTS	 HOME	14,439	<ul style="list-style-type: none"> Salaried / Self-employed individuals 	<ul style="list-style-type: none"> Focused on affordable and non-metro housing segments Leverages underwriting skills developed over time
	 BUSINESS	7,464	<ul style="list-style-type: none"> Medium, Small and Micro Enterprises 	<ul style="list-style-type: none"> Predominantly lending to business owners backed by cash flows and collateral
	 GOLD	13,149	<ul style="list-style-type: none"> Individuals 	<ul style="list-style-type: none"> Small-ticket loans with very low delinquencies Competitive advantage over peers given the vast branch network and segment experience
	 MICROFINANCE	4,738	<ul style="list-style-type: none"> Rural self-employed women 	<ul style="list-style-type: none"> High-yielding granular portfolio dominated by Self Help Groups (SHGs) of women for income generating activities Presence across 17 states
NON-CORE SEGMENTS	 CONSTRUCTION & REAL ESTATE	4,235	<ul style="list-style-type: none"> Developers 	<ul style="list-style-type: none"> Lending to residential projects and developers with a focus on affordable housing
	 CAPITAL MARKETS	663	<ul style="list-style-type: none"> Individuals / HNIs 	<ul style="list-style-type: none"> Lending to HNIs, corporates, private trusts, etc. looking to monetize their investments to raise capital

Core growth segments account for around 89% 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)	Q4FY21	Q-o-Q	Y-o-Y
Home Loans	14,439	7%	16%
Gold Loans	13,149	8%	44%
Business Loans	7,464	(4%)	(5%)
→ Secured	5,439	1%	11%
→ Unsecured	2,025	(15%)	(31%)
Microfinance	4,738	21%	40%
Core Segments (A)	39,790	6%	21%
Capital Market Finance	663	14%	47%
Construction & Real Estate	4,235	(2%)	(10%)
Non-core Segments (B)	4,898	0%	(5%)
Loan AUM (A+B)	44,688	6%	18%

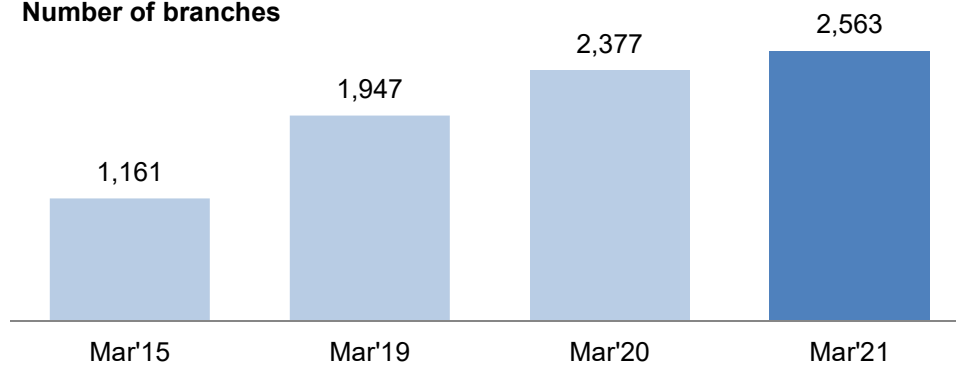
- Small ticket retail loans accounted for 90% of total loan AUM.
- Loan assets growth is primarily driven by core retail products identified for growth, namely gold loans, microfinance loans and affordable home loans.
- Disbursements for all core products, except business loan, have reached or surpassed pre Covid levels.
- Construction & real estate Finance has declined to about 10% of Loan AUM.

Loans sourced through own network ..

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

Wide spread network across 25 states and over 600 locations, with over 19000 employees

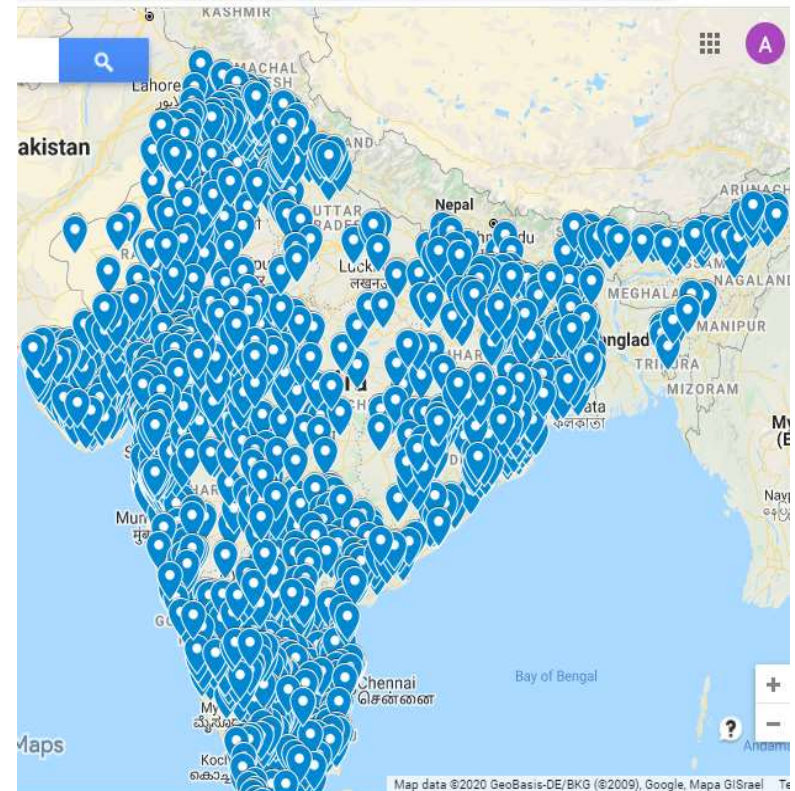
Number of branches



During the quarter Q4FY21, we added:

124 branches

1,742 employees



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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Home loans – industry overview



- 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[^]

**INR
22Trillion +**

Mortgage Market In India (Dec 20)

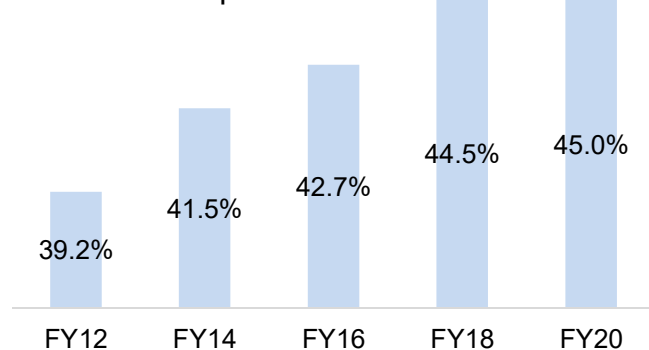
**INR 11
Trillion+**

Total Loans of HFCs (Dec 20)

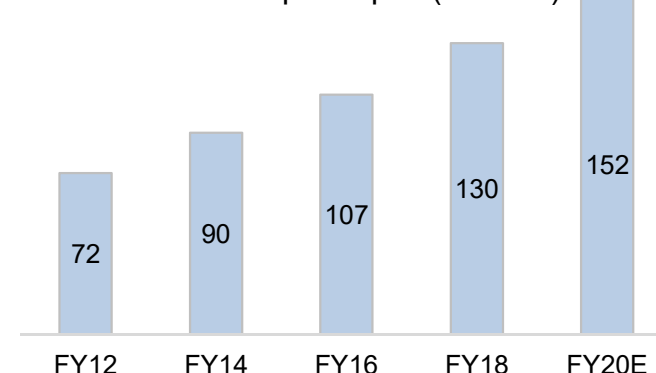
Affordable HFC Growth - 8% (From March 20 till Dec 20)

Growth drivers*

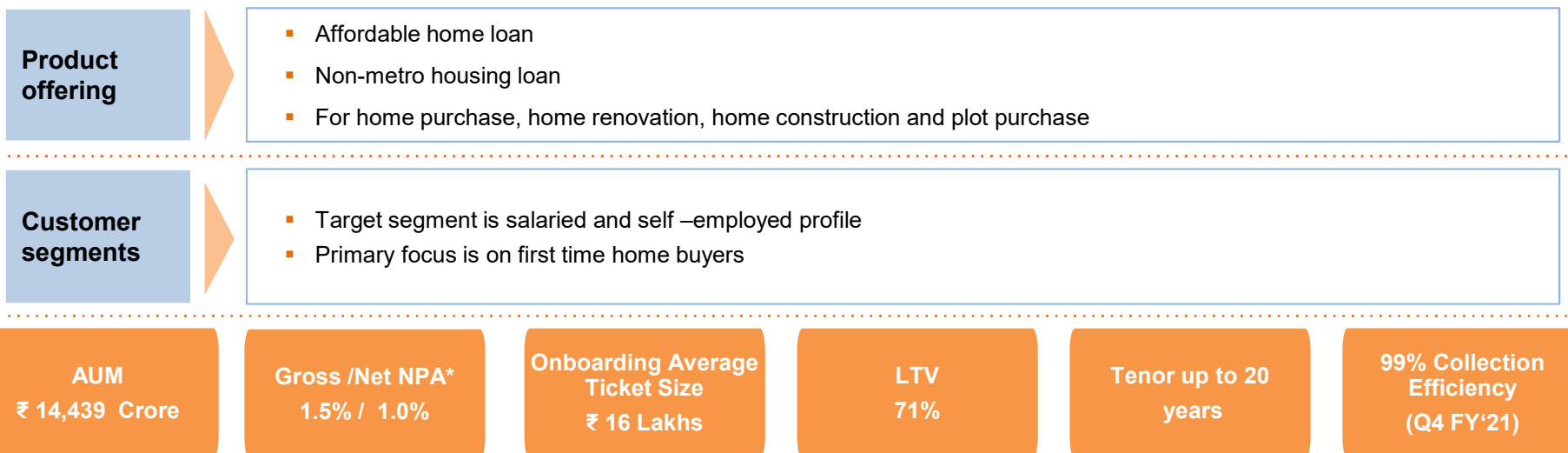
Rise in finance penetration in urban areas



Rise in GDP per capita (Rs.'000)



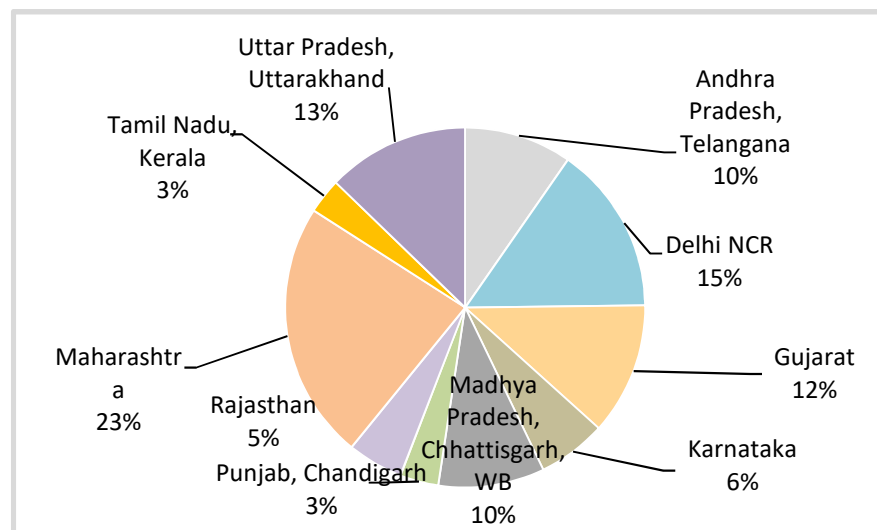
Home loans – product overview



Key differentiators and controls

- ✓ Primary focus on **affordable** and non-metro customers. 94% of home loans were disbursed to customers under PSL category
- ✓ Business strategy aligned with government mission of “Housing for All “ through **CLSS subsidy**. Benefit of ₹ 1,026+ Cr has been given to over 43,000+ customers
- ✓ **100% home loans** are on-boarded and decisioned through **digital platform** thereby reducing operating cost and credit cost
- ✓ **Asset light model**. 32% of the home loan book has been securitized. Multiple tie-ups done for co-lending.
- ✓ **Sustainable housing**

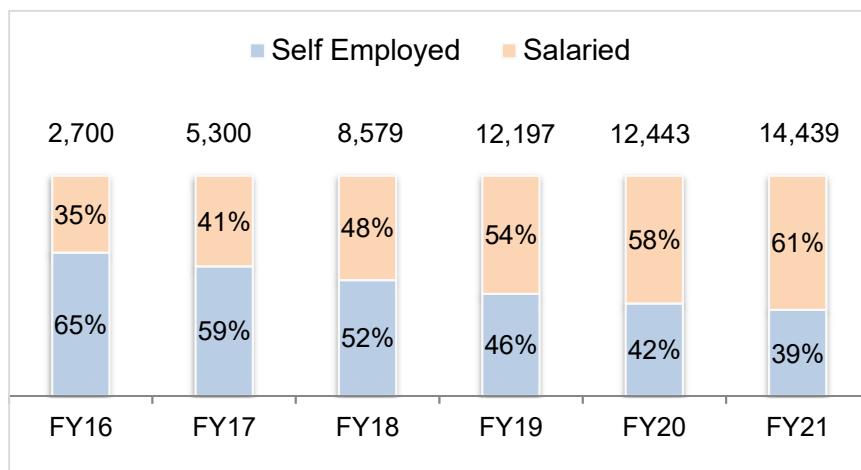
Distribution of AUM as at March 31, 2021



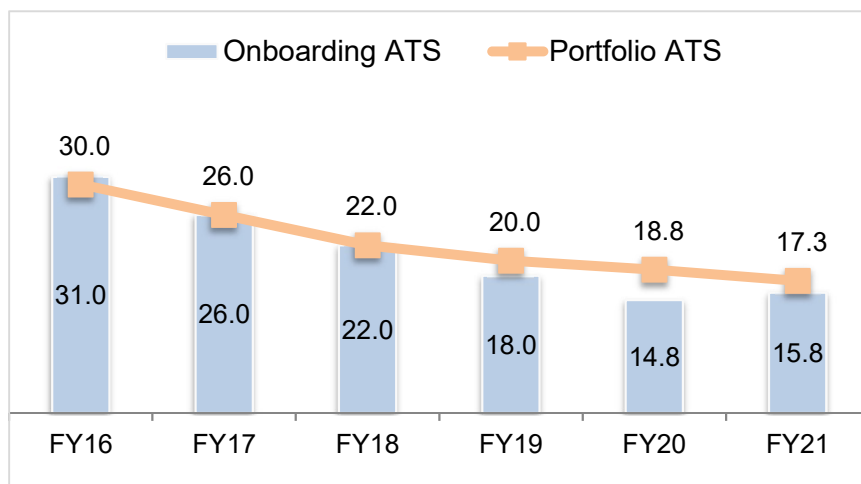
*Gross and net NPA are given on loan book. On AUM basis it is 1.27% / 0.96%

Home loans – financial overview

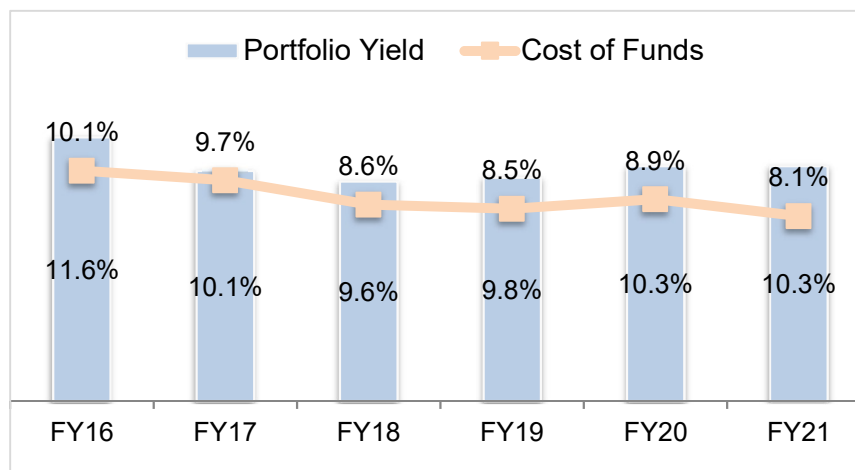
Assets Under Management (₹ Crore)



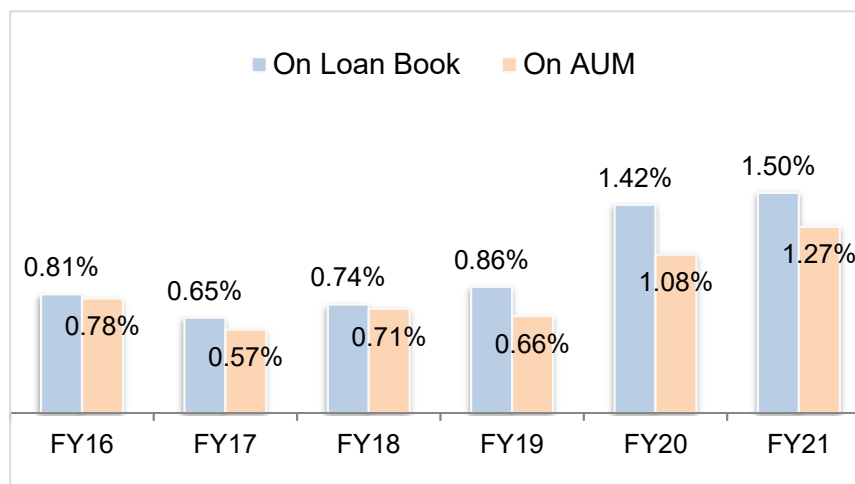
Average Ticket Size (₹ Lakhs)



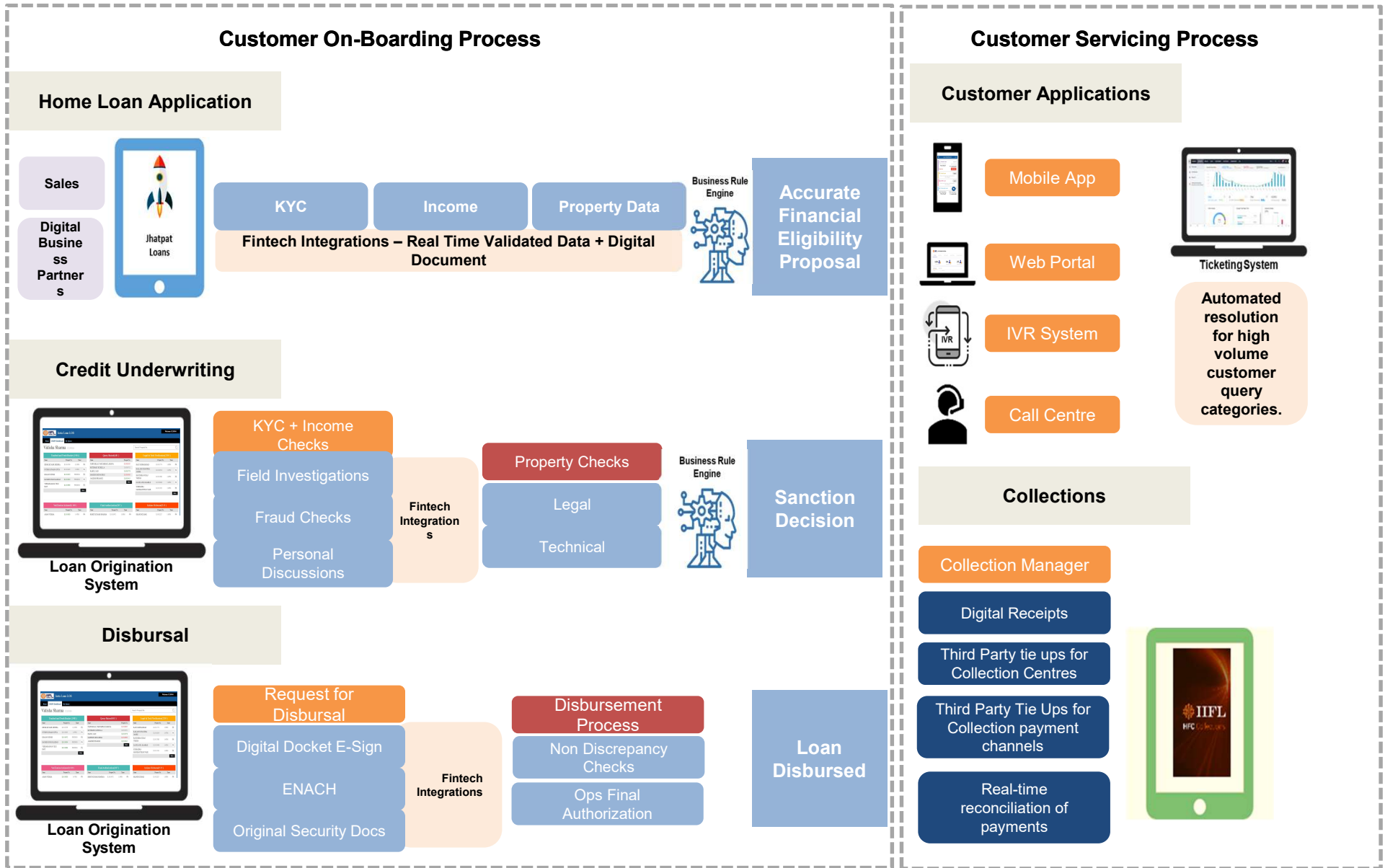
Portfolio Yield & Cost of Funds (%)



Gross NPAs (%)

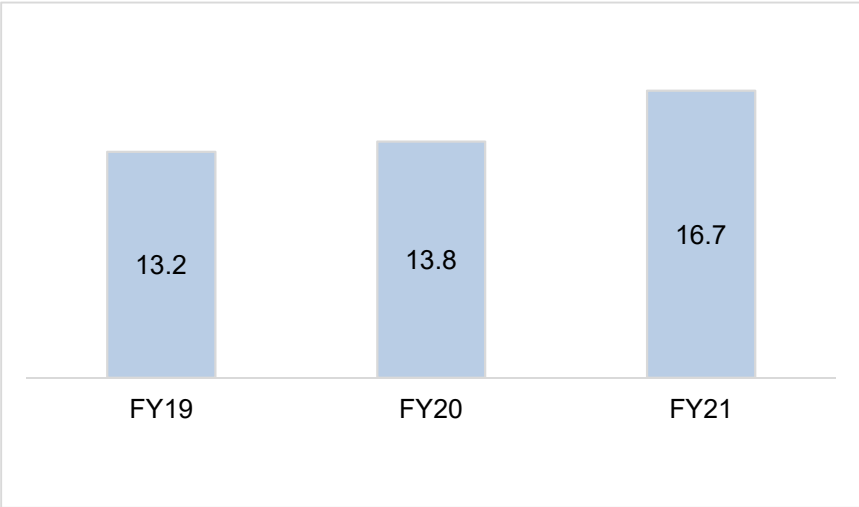


Home loans- Digital Ecosystem

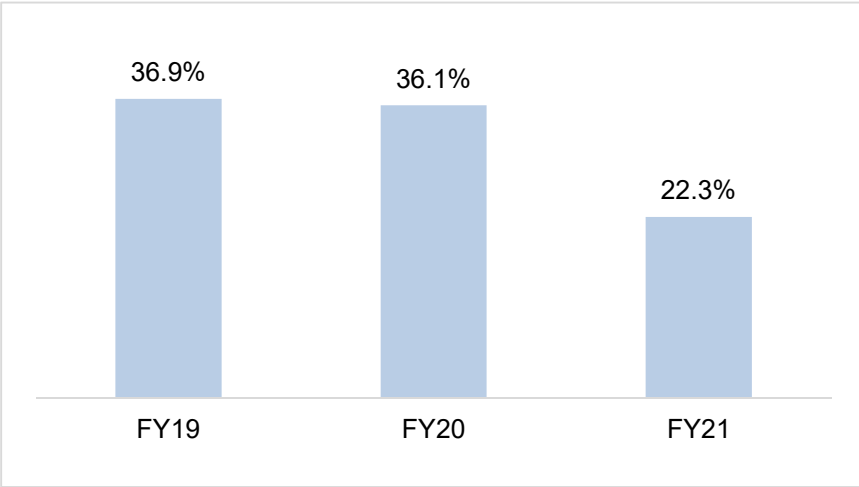


Impact of Technology

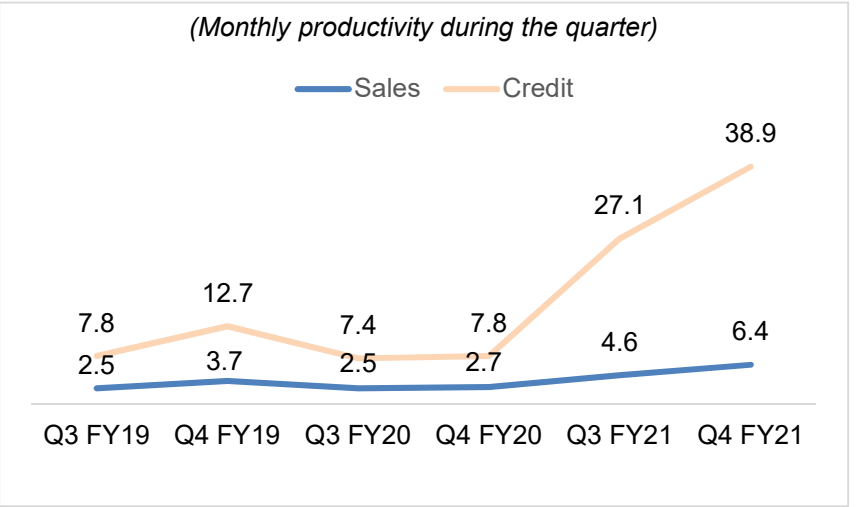
AUM per employee (₹ Crore)



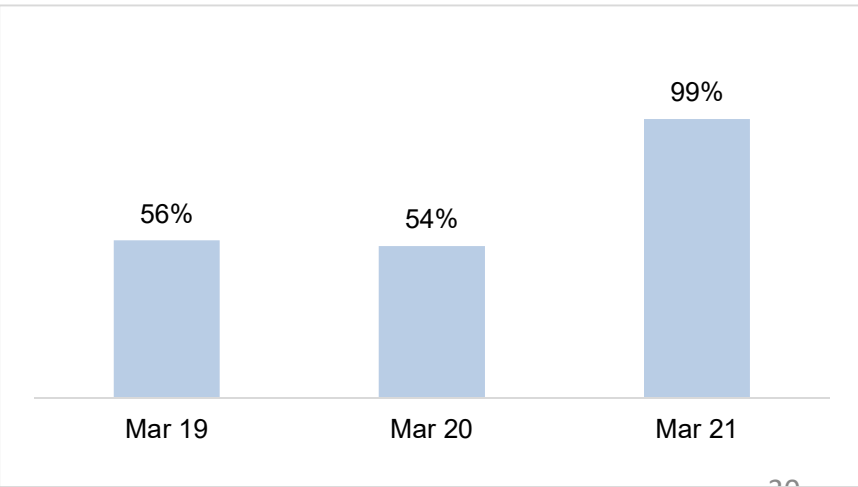
Cost to Income



Disbursals (units) per sales and credit employee

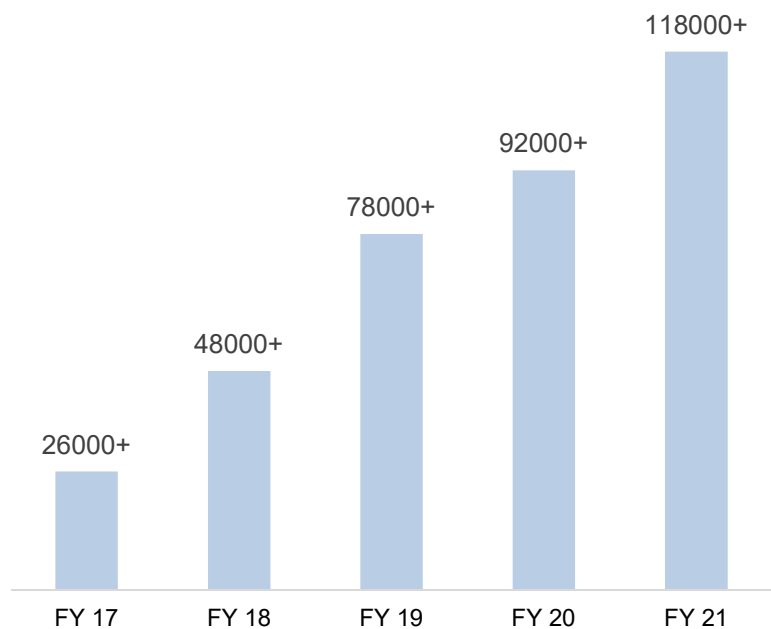


Digital Onboarding



Home loan: Aiming for inclusive growth

First time home buyers (Since inception)



Families benefitted under CLSS

13150+

29800+

38300+

43000+

Subsidy provided (₹ Crore)

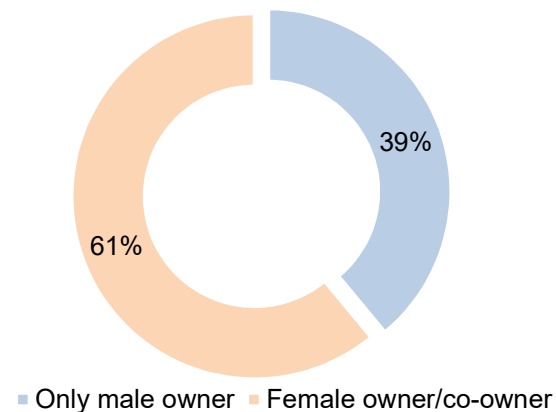
₹300+

₹ 690+

₹ 900+

₹ 1026+

Gender Equality



Reach

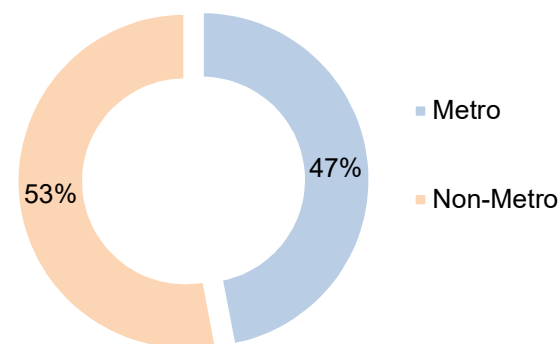
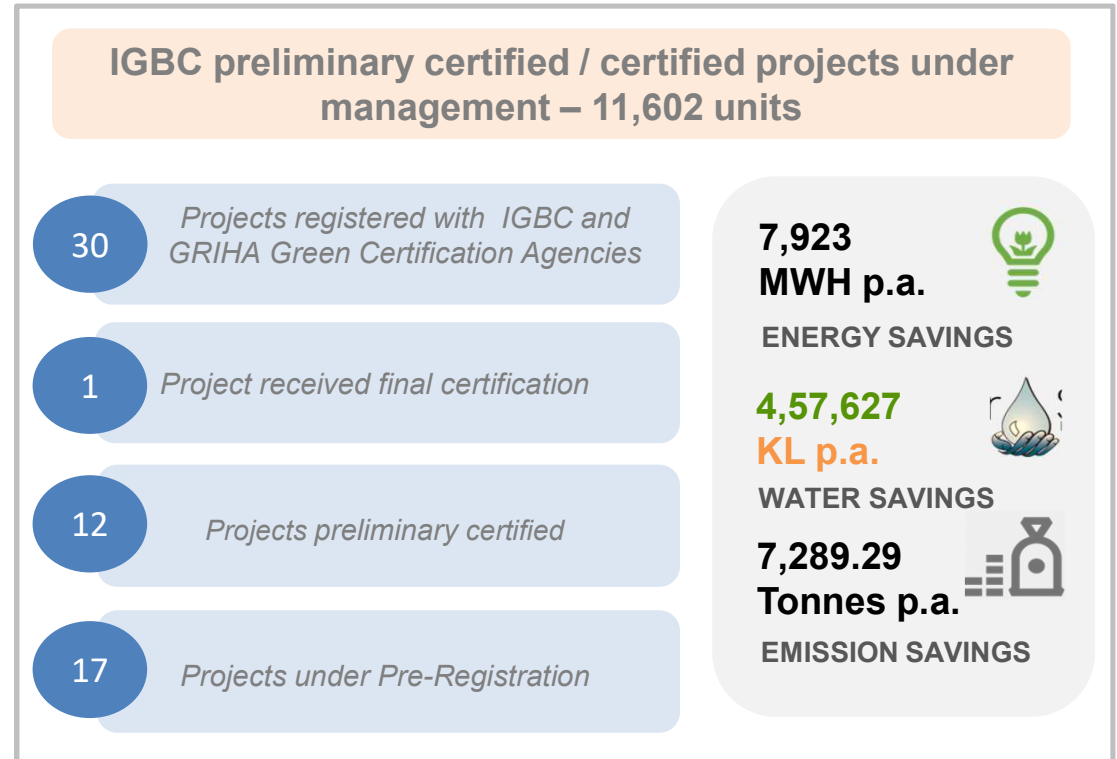


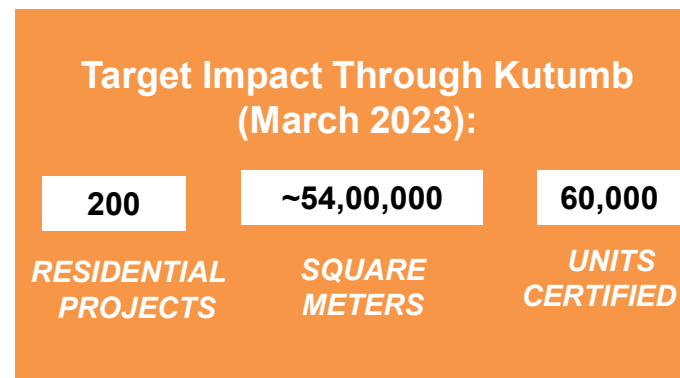
Chart depicts HL AUM in Metro and Non Metro cities. Metro cities include Delhi, Mumbai, Bangalore, Hyderabad, Chennai & Kolkata

IIFL HFL 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.



Total number of units funded by IIFL Home Loans (IGBC & GRIHA certified)
4,400+



Home loans – updates for the quarter

Launch of Green Building Handbook

The main objective of launching the green building handbook is to design and built homes that are comfortable and healthy and **cause minimum harm to the environment**. The Green Building Handbook will be useful for:



- **The Developers, Architects, Construction Engineers**
 - In improving the usual ways of designing and building the homes to make them green.
 - To provide a simple way for all those in-charge of the processes of design and construction to have a common and clear understanding of goals and methods
- **The Homeowners**
 - To guide them to understand the technical aspects of **GREEN HOMES**

Awards & Accolades Achieved by Home Loans



Financial Inclusion Initiative of the Year by CMO Asia



Best BFSI Brands 2021 by Economic Times



Green Brand of the year (eKutumb) by IAA Olive Crown Award



Housing Finance Firm of the Year by Global Real Estate Congress



I. Q4FY21 Financial performance

II. Business segments review

i. Overview and mix

ii. Home loan

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iv. Gold loan

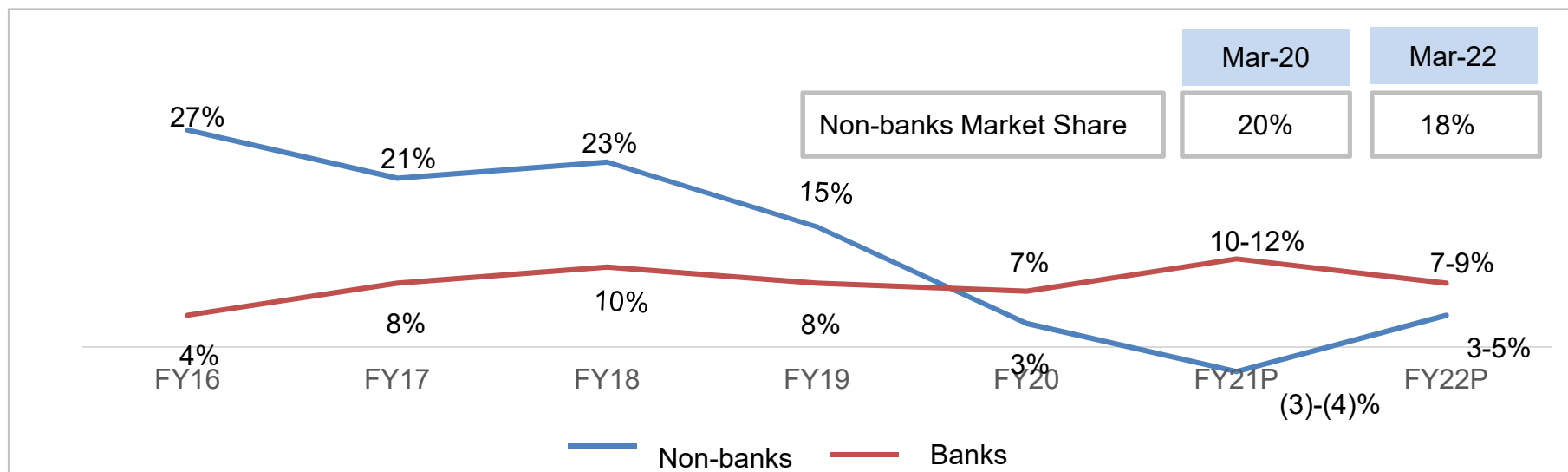
v. Microfinance

vi. Commercial & real estate

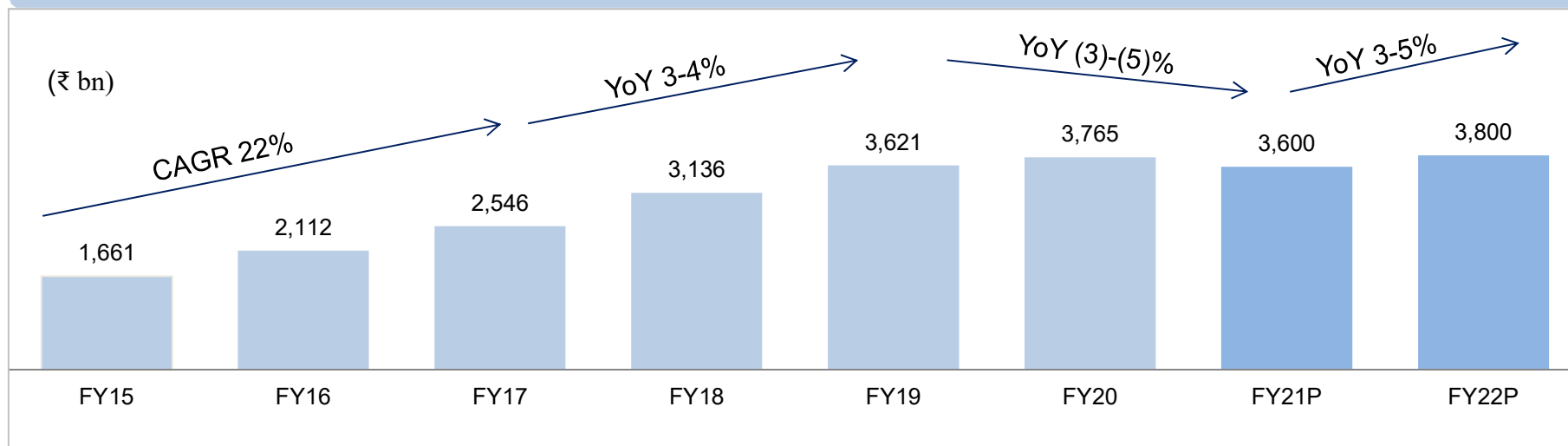
III. Corporate and others

Business loans – industry overview

Micro segment: Biggest beneficiary of fresh disbursals supported by ECLGS



Non-bank MSME credit to pick up gradually as the economy revives



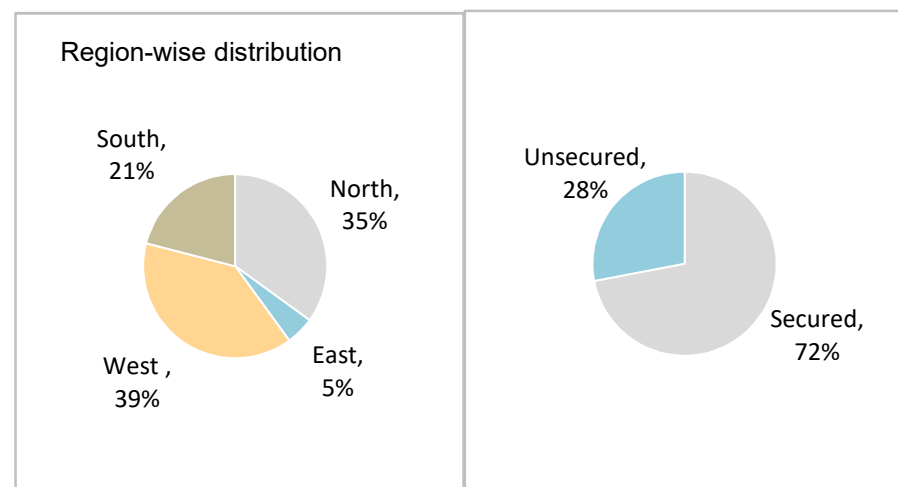
Business loans – product overview

Product offering	<ul style="list-style-type: none">For business loans backed by cash flowsCollateral must for loans of more than ₹ 50 Lakh; LTV up to 70%			
Customer segments	<ul style="list-style-type: none">MSME customers having established business performanceLending to manufacturing, trading and service sectors for working capital and business expansion64% of unsecured MSME portfolio covered through CGTMSE guarantee scheme			
AUM ₹ 7,464 Crore	Gross/Net NPA* 5.7% / 2.0%	On boarding Average Ticket Size ₹ 15 Lakh	Tenor Upto 12 years	88% Collection Efficiency (Q4 FY'21)

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
- ✓ 54% of MSME unsecured loans are less than ₹ 10 lakh ATS

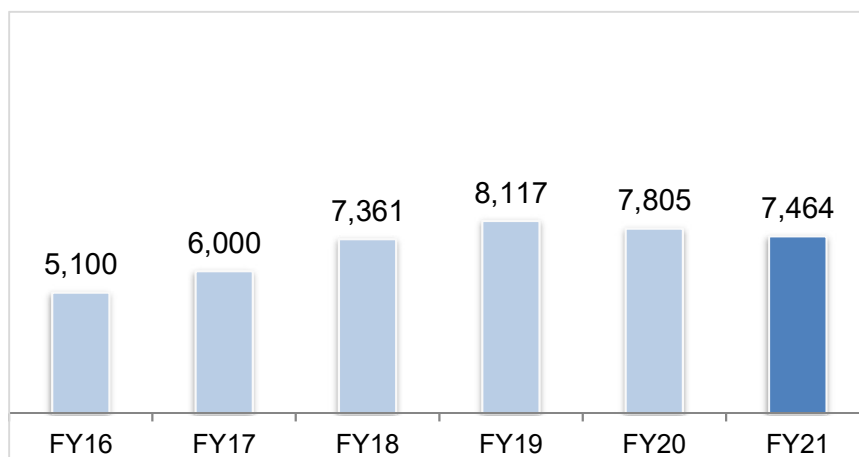
Distribution of AUM as at March 31, 2021



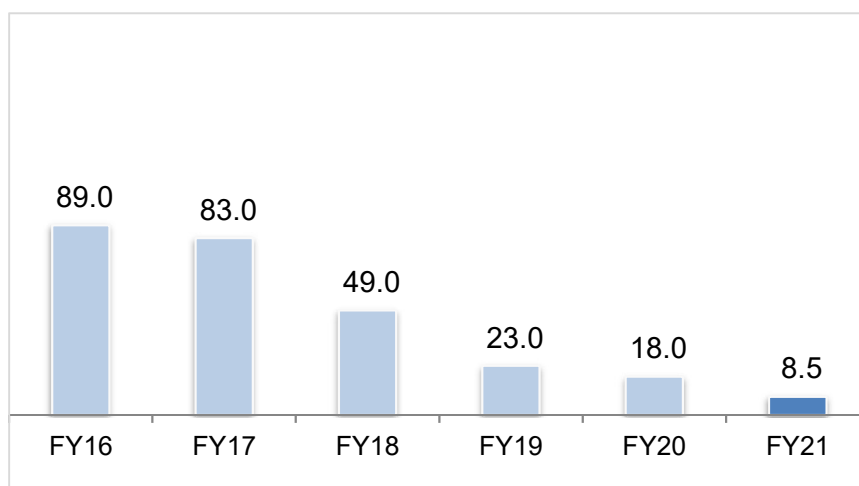
*Excluding discontinued HCF portfolio

Business loans – financial overview

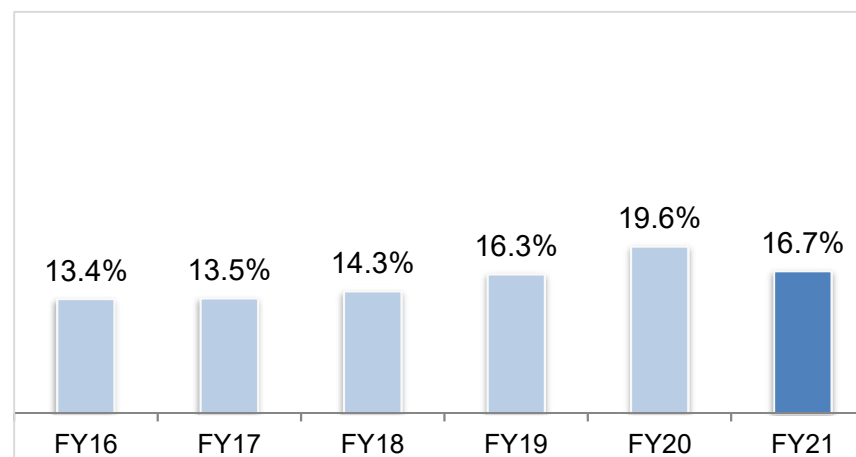
Assets Under Management (₹ Crore)



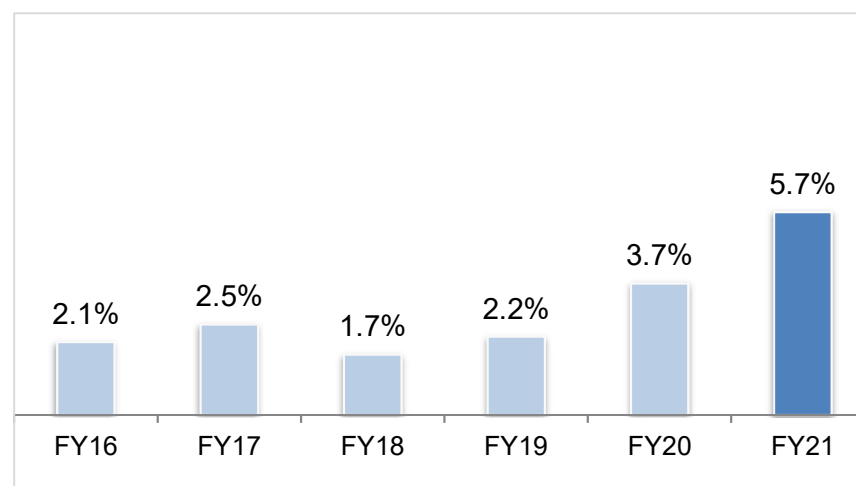
Onboarding Average Ticket Size (₹ Lakhs)



Boarding Yield (%)



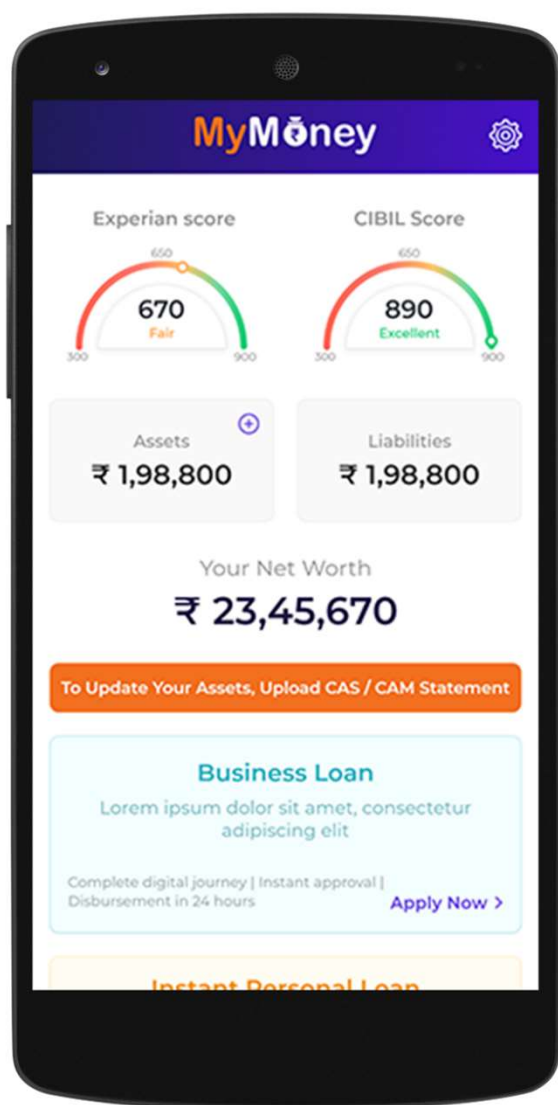
Gross NPAs (%)



My Money App

App for paperless instant unsecured business loans

– Managing money in a simple and transparent way



Key features

Cibil Score Check

- Get your CIBIL score for FREE in just 2 minutes
- Detailed analysis of your credit profile
- Monitor your credit profile
- Get best loan offers

Instant Personal Loan

- Loans ranging from ₹5000 to ₹2,00,000
- 100% online loan application process
- Active interest rates depending on your risk profile & tenure
- Get rewarded with a higher loan on successful repayment

Spend Analyser

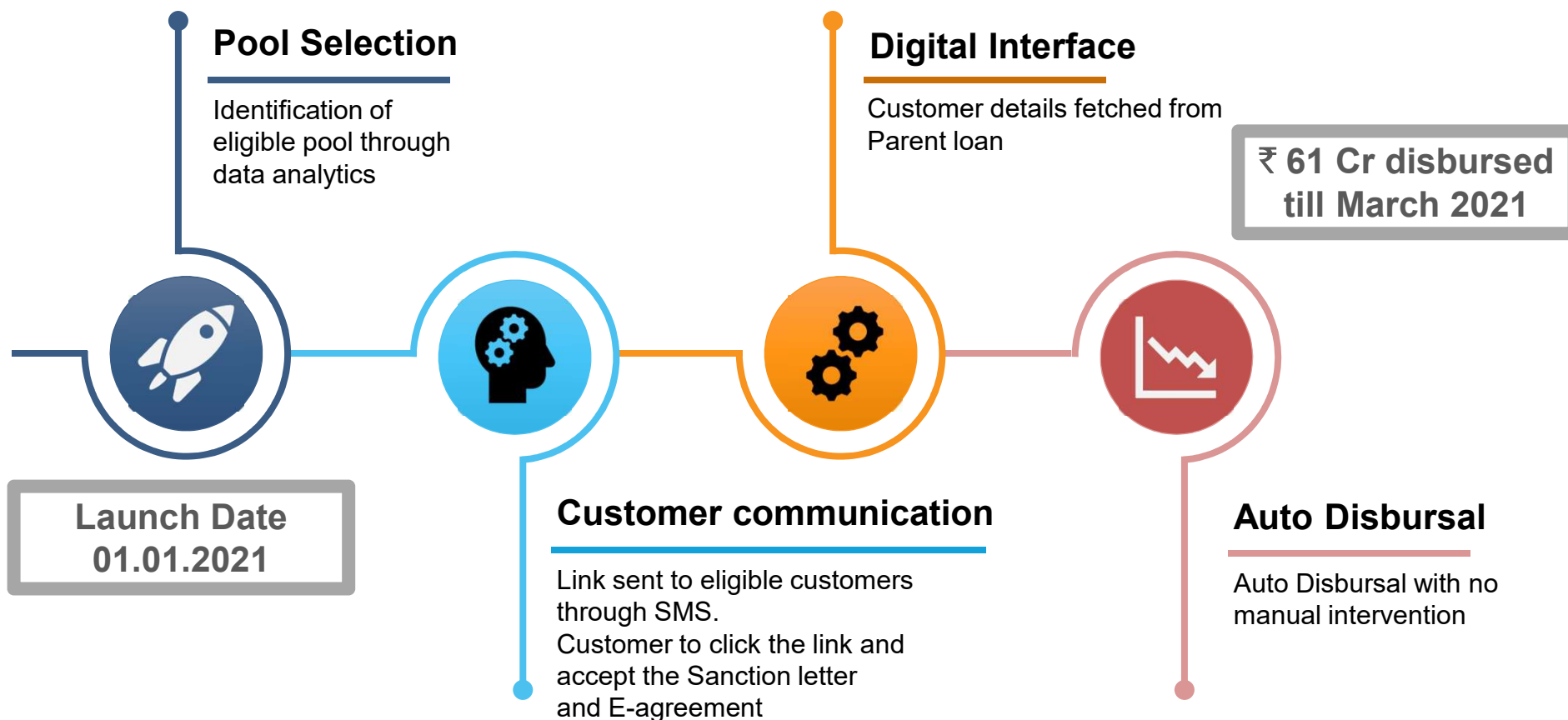
- Create your own budget
- Helps you analyse your investment
- Easy to understand with attractive graphical formats

Instant Business Loan

- Loans ranging from ₹ 50,000 to ₹10,00,000
- 100% online loan application process
- Active interest rates depending on your risk profile & tenure
- Get rewarded with a higher loan on successful repayment

Secured business loans: Digital up selling for quality customer retention

A complete paperless journey with no human touch points



Partnership with Fintech's



E-signing



Enhancing Customer Experience



Using GST data for under-writing



Locational Intelligence Platform



Improving digital Collections



Enhancing Collection Platform



Co-branded prepaid card – to be launched next year



IIFL Finance got listed on CredAI website as a lender which would help it to be a part of the Open Credit Enablement Network (OCEN).

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v. Microfinance

vi. Update on commercial & real estate

III. Corporate and others

Gold loans – industry overview



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



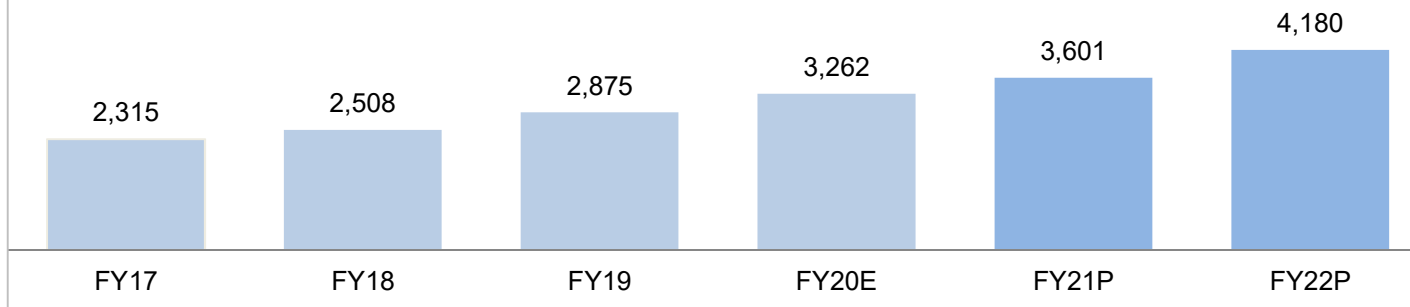
47%
of total gold globally is in
the form of Jewellery



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

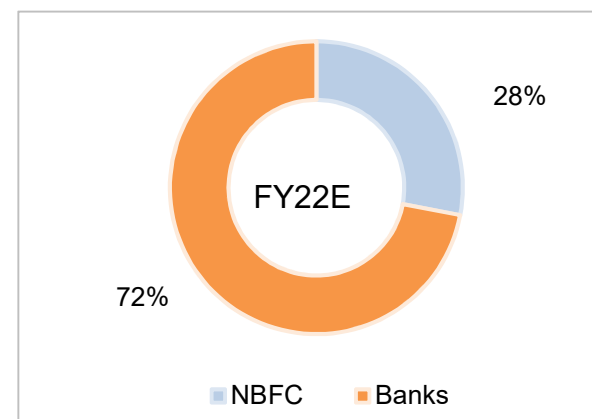
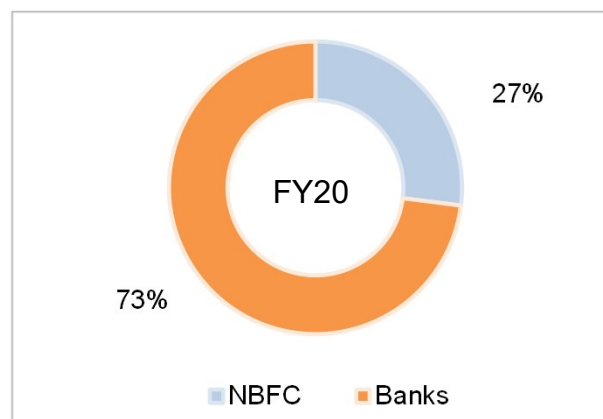
Industry Gold Loans – Organized Market

(₹ bn)



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

NBFC Market Share in Gold Loans is expected to increase



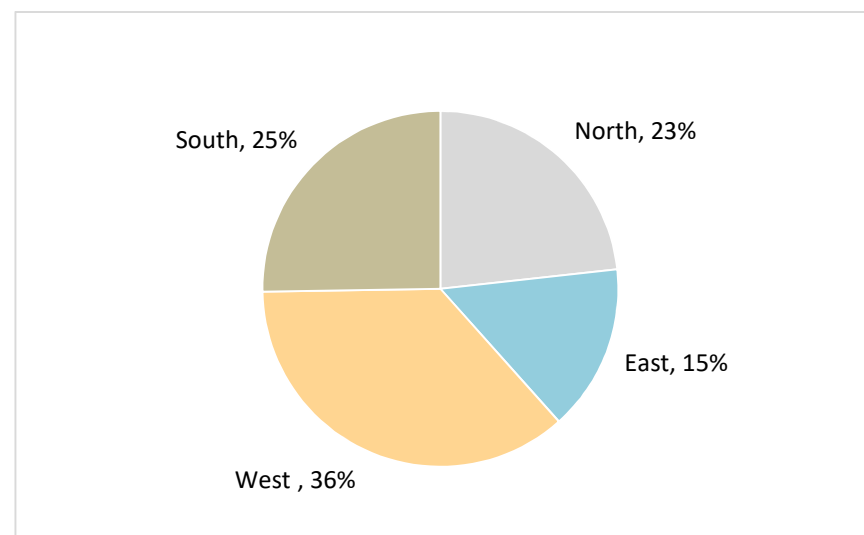
Gold loans – product overview

Product offering	<ul style="list-style-type: none">▪ Loan against jewellery provided for personal & business use;▪ On-boarding LTV ~ 71%			
Customer segments	<ul style="list-style-type: none">▪ Salaried, self-employed and MSME businesses▪ 70% are repeat customers			
AUM ₹ 13,149 Crore	Gross/Net NPA 0.6% / 0.5%	Onboarding Average Ticket Size ₹ 0.7 Lakhs	Tenor ~1 year	101% Collection Efficiency (Q4 FY21)

Key differentiators and controls

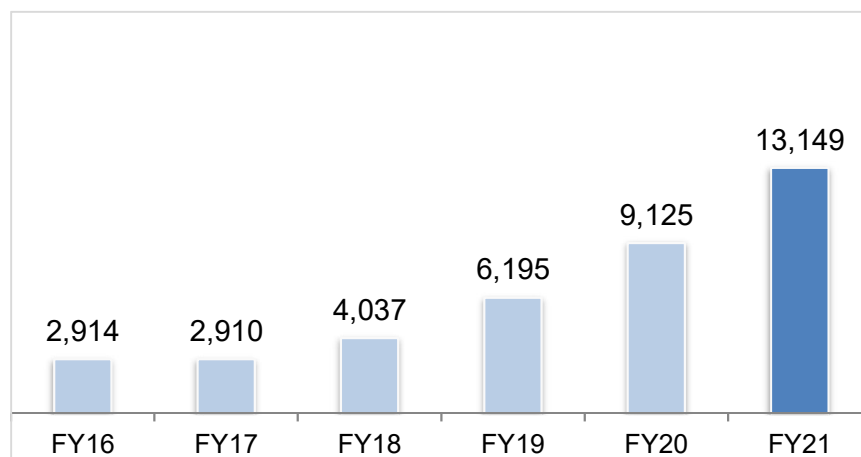
- ✓ Sourcing through sales executives in 600+ cities across 25 states
- ✓ In-house loan origination tablet application equipped to screen customers for earlier defaults, frauds and negative customer lists
- ✓ Strong emphasis on collections and resolution resulting in negligible losses
- ✓ Launched digital gold loan – for top-up and online renewal of gold loans
- ✓ Auction to book ratio in Q4FY21 is 1.8%

Distribution of AUM as at March 31, 2021

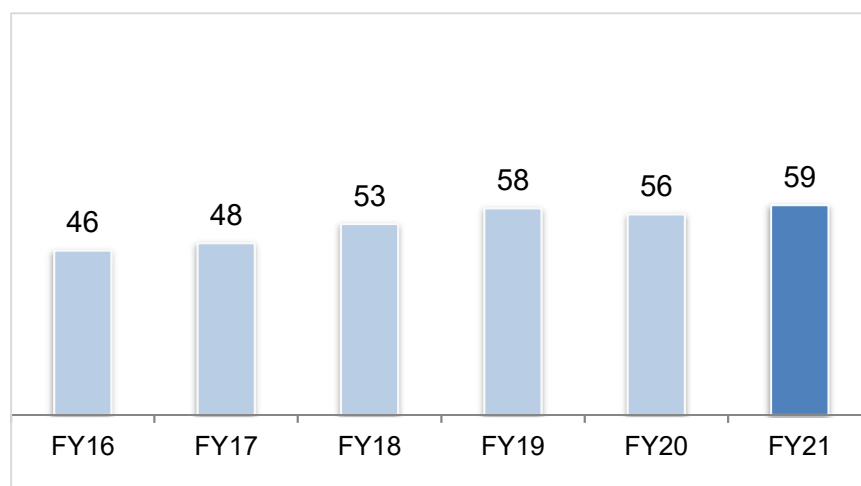


Gold loans – financial overview

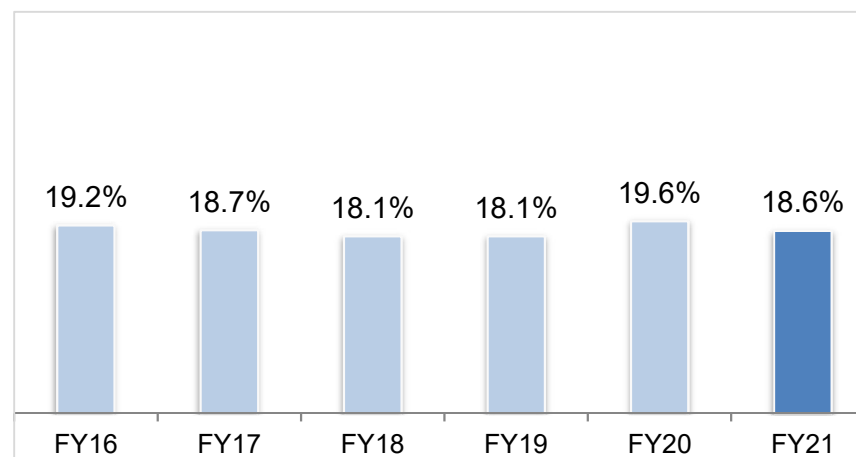
Assets Under Management (₹ Crore)



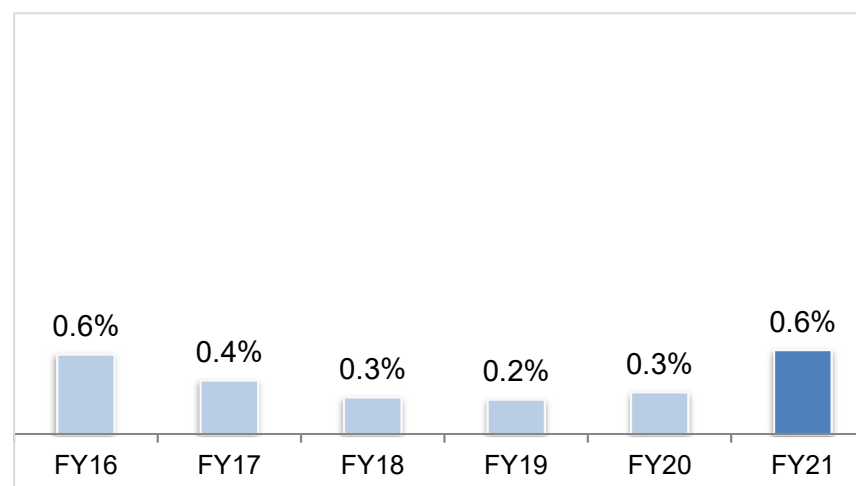
Onboarding Average Ticket Size (₹ '000s)



Boarding Yield (%)



Gross NPAs (%)



Gold Loan Home Delivered.. Product being launched



**Customer applies
for Gold Loan via
app, call or
Website**



**Executive visits
customer's
doorstep to
appraise gold**



**Gold valued and
loan disbursed
directly into bank
account**



**Gold kept in
designated Vault**

Central Vigilance Team & Real Time Monitoring

Central team monitor
every transaction on
real time basis

Doorstep Verification

KYC of address of
place of gold loan
disbursal deters
fraudulent attempt

Completely Cashless Process

Wire Transfer avoid
fraud & establish clear
digital money trail

Extensive BGC, CRC

IIFL employees
appraisers with clean
Background Check
and Criminal Record
Check

Partnership with web aggregators for Gold loan

Live Partnerships



GOLDUNO



FINO



Realme Paysa



eJOHRI



API integration in process for myloanskart.in

Gold loan: Supporting small ticket borrowers



Gold loans are essentially small-ticket business loans

65% of gold loan are of **less**
than ₹ 50,000 value

83% of the branches are
located in **tier II, III cities and**
rural areas

69% of loans given to **small**
businesses

8% of loans is for **agricultural**
purposes

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

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

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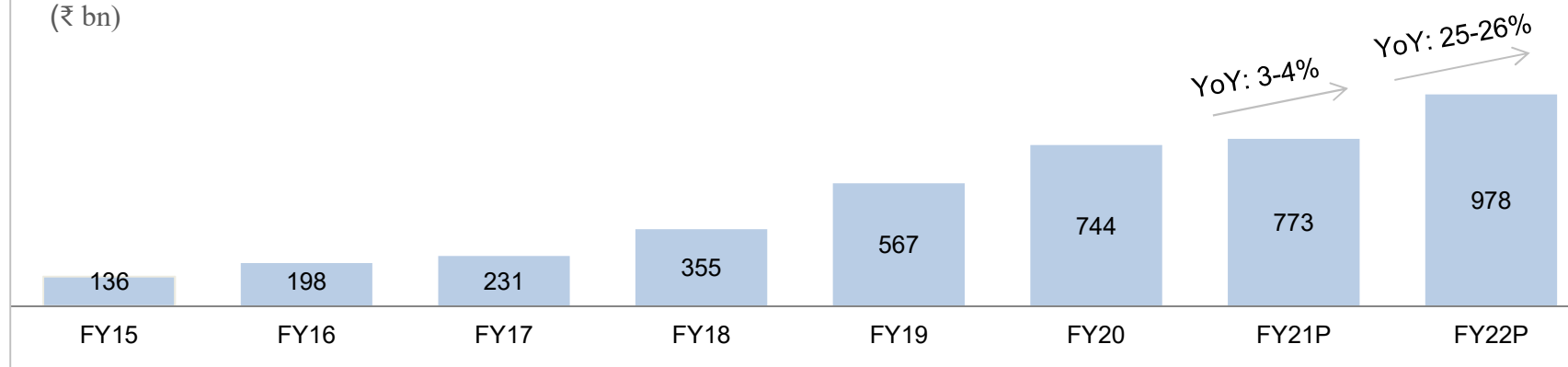
vi. Update on commercial & real estate

III. Corporate and others

Microfinance – industry overview

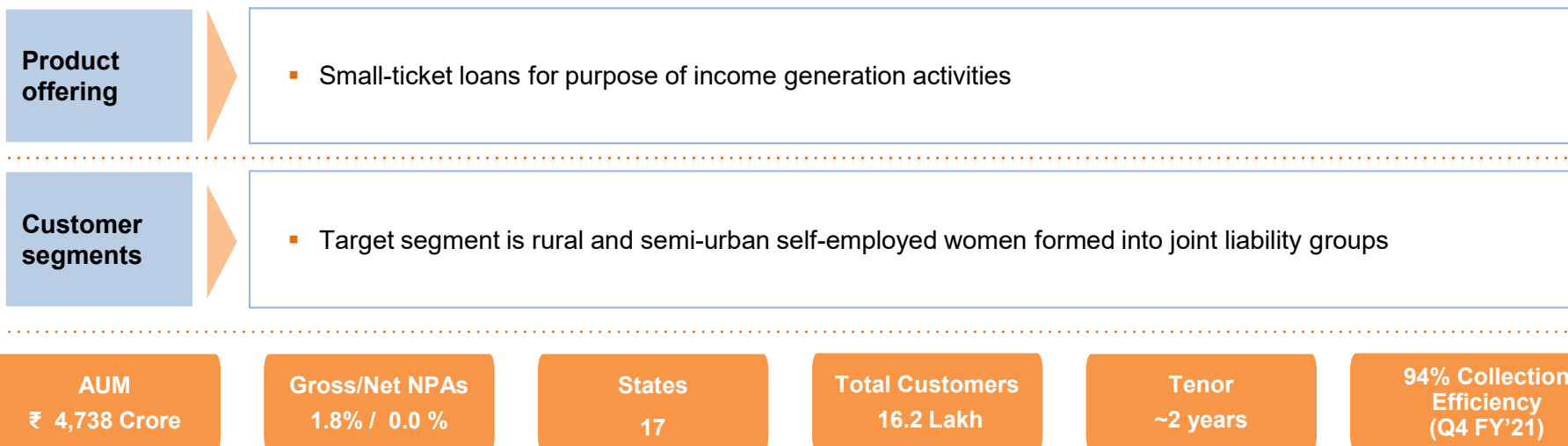
Overall MFI to grow by 25-26% in FY22

(₹ bn)



1. Growth for the FY22 is projected at 25-26%
2. Microfinance borrowers highly depend on the source of credit for their daily livelihood, they have started making payment thus increasing the overall collection efficiency.
3. Collection efficiency post December 2020 is expected to be > 90%

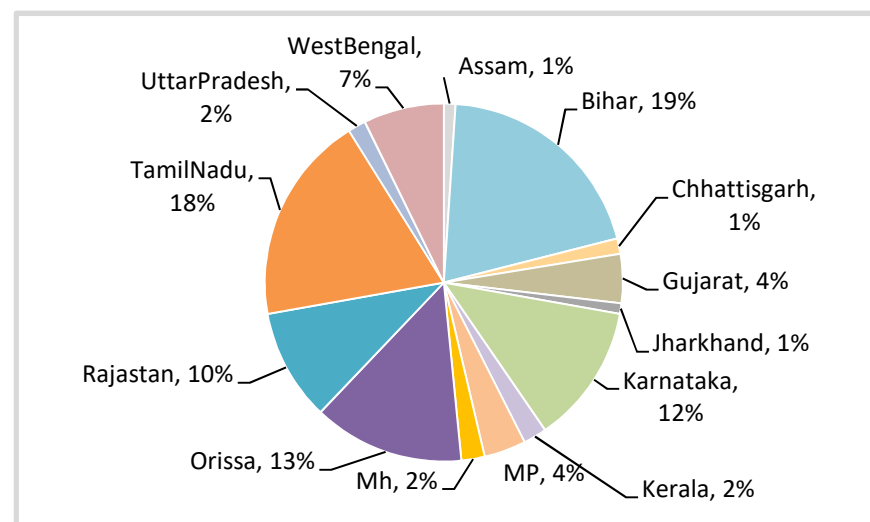
Microfinance – product overview



Key differentiators and controls

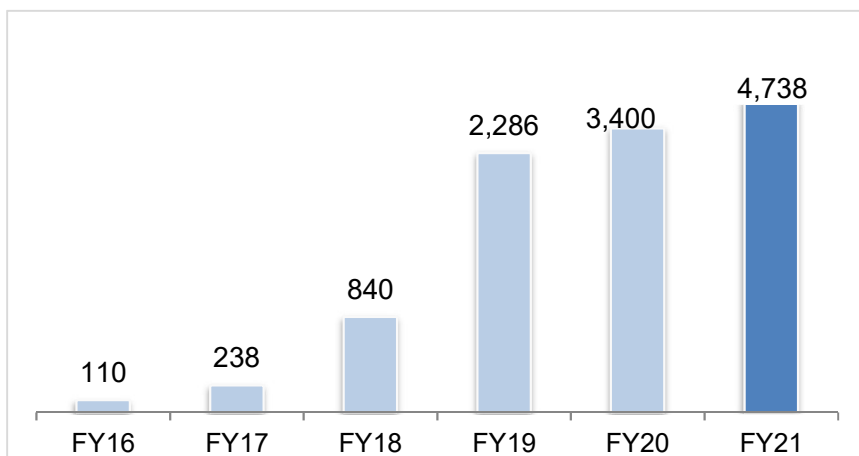
- ✓ Extensive presence in 17 states, 257 districts
- ✓ Strong emphasis on training and awareness of all customers detailing end use of funds, timely repayment and emphasis on joint liability
- ✓ Customer base likely to graduate to larger ticket-sized loans, like gold loans and affordable housing loans
- ✓ 100% credit-linked insurance coverage

Distribution of AUM as at March 31, 2021

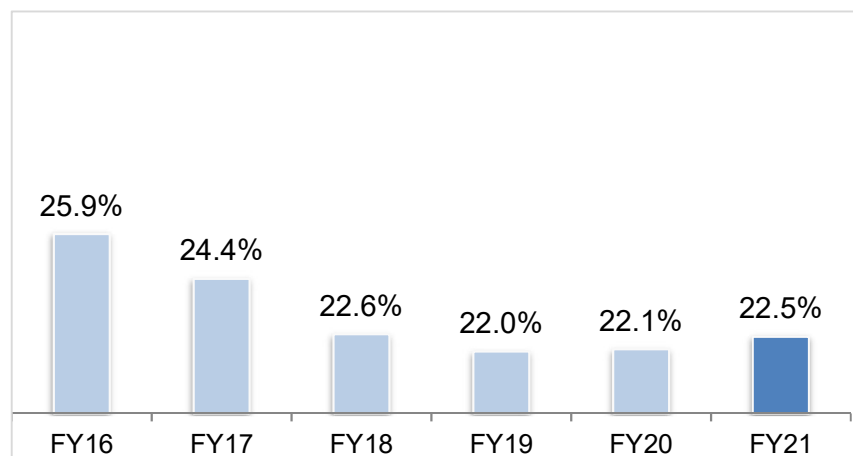


Microfinance – financial overview

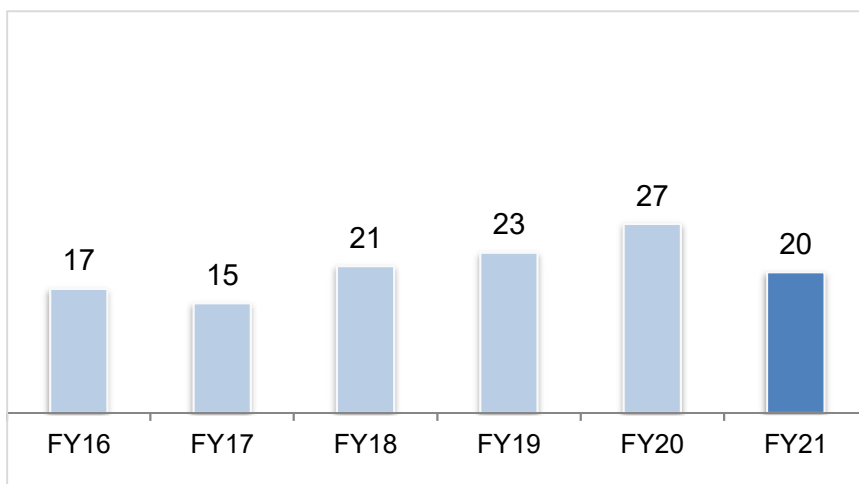
Assets Under Management (₹ Crore)



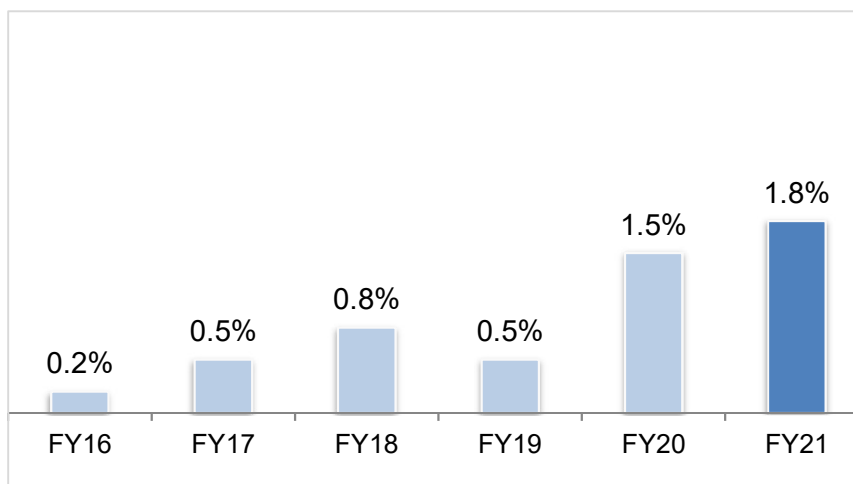
Boarding Yield (%)



Onboarding Average Ticket Size (₹ '000s)



Gross NPAs (%)



Microfinance & Retail business loans



Microfinance & Retail business loans are for income generating activities

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

16.2 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

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

IIFL Finance is in the process of transferring substantial part of its Construction & Real Estate (CRE) loan assets that are in the form of non-convertible debentures to an Alternative Investment Fund. IIFL Finance will continue to own at least a third of the AIF's units. The AIF has a target fund size of INR 3600 crores and has signed a Contribution Agreement with Credit Opportunities III PTE. Ltd, a fund managed by Ares SSG Capital Management, committing a contribution of upto ₹1,200 cr towards units in the AIF. The first tranche of loan assets is expected to be sold to the AIF in a week and remaining loan assets in next few weeks, as documentation and diligence get completed.

The capital released by the above transaction, will strengthen IIFL Finance balance sheet and help it focus sharply on retail lending, in line with its strategy.

Update on CRE projects

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 ₹ 3,614 Cr as at Q4FY21. 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 Mar	% to total
Residential	45	3,369	93%
Land stage	1	76	2%
Approval pending	0	-	0%
Construction in progress	36	3,029	84%
<i>Early stage (Upto 25%)</i>	8	533	15%
<i>Intermediate stage (25-75%)</i>	18	1,978	55%
<i>Near completion (> 75%)</i>	10	518	14%
Completed	8	264	7%
Commercial / Logistics	3	245	7%
Total	48	3,614	100%

Stages of construction

- 76% of funded projects are in advanced stages of completion or are already completed
- 15% 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

Affordable residential projects contribute 75%



Figs in Cr	No. of projects	POS as at 31 Mar	% to total
Residential	45	3,369	93%
<i>Affordable</i>	36	2,715	75%
<i>Mid Income</i>	5	404	11%
<i>Premium</i>	4	250	7%
Commercial	3	245	7%
Total	48	3,614	100%

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 Mar	% to total
<4000	17	513	14%
4 - 10k	14	673	19%
10 - 16k	1	342	9%
16 - 22k	9	1,530	42%
22 - 28k	2	204	6%
>28k	5	352	10%
Total	48	3,614	100%

Key elements of the IIFL RE Corporate Loan Book

- Affordable residential projects contribute 75% 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 58% of funded projects

Figs in Cr	No. of projects	POS as at 31 Mar	% to total
Mumbai	15	1,778	49%
Noida	2	400	11%
Gurgaon	9	330	9%
Delhi	2	313	9%
Pune	4	203	6%
Bangalore	3	196	5%
Hyderabad	2	115	3%
Jaipur	3	102	3%
Bhiwandi, Thane	1	83	2%
Ghaziabad	2	40	1%
Greater Noida	1	24	1%
Chennai	1	18	0%
Lucknow	2	10	0.3%
Faridabad	1	2	0.1%
Total	48	3,614	100%



- 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

93% 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 Mar	No. of Developers
5-9 yrs	5	244	5
10-14 yrs	10	488	5
15-19 yrs	6	502	7
20-24 yrs	7	953	9
25-30 yrs	7	841	9
>30 yrs	13	585	4
Total	48	3,614	39

Relationship with IIFL

No. of years	No. of projects	POS as at 31 Mar	No. of Developers
1-3 yrs	7	207	6
4-6 yrs	25	2,480	21
7-9 yrs	16	927	12
Total	48	3,614	39

Sft sold by Developer Group

Sft sold by Group	No. of projects	POS as at 31 Mar	No. of Developers
0-5 lacs	8	802	7
5-10 lacs	9	1,018	8
10-15 lacs	5	224	5
15-20 lacs	7	923	6
>20 lacs	19	646	13
Total	48	3,614	39

Track record of Developers

- 93% of POS is funded to developers who have a successful track record of more than 10 years
- 78% of POS is funded to developers who have historically sold more than 5 lac sft
- 94% of POS is funded to developers who have been in touch with IIFL for more than 4 years

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Our continued support to employees and customers during Covid



Compassion for customers: Showing empathy with customers genuine problems, helping with reduction, waiver and flexible terms



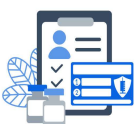
Free Vaccination announced for all employees on workplace in the event they choose to get vaccinated in private hospitals or centre



Paid leave for any employee who tests Covid positive for the entire duration of absence from Work



Working to arrange vaccination camps for all employees in Mumbai and Delhi in tie ups with hospitals at office locations



24/7 Covid War room hotline shared with all employees on Workplace for hospital admission support and sourcing of beds/ICU's and vendor directory support



Ran the Karuna Vs Corona campaign to reinforce and Educate all employees on COVID related Workplace safety guidelines to follow

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

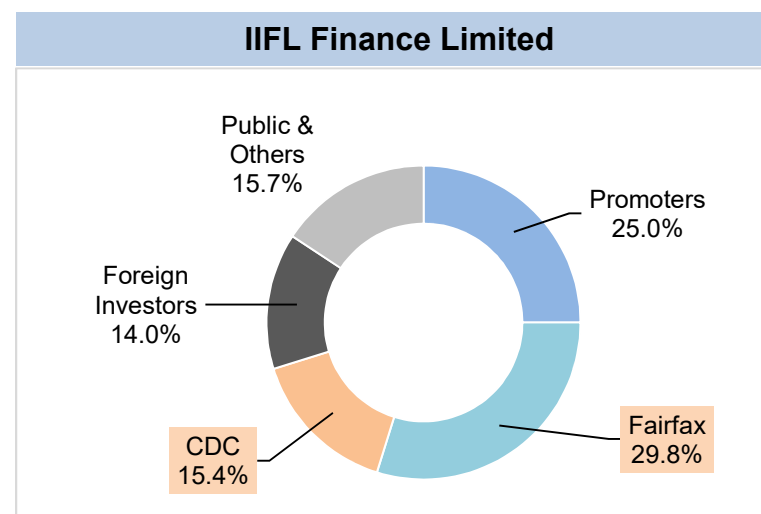
IIFL Home Finance

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 March 31, 2021

Environment, Social and Governance (ESG) Initiatives



- 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

CSR projects continue amid covid with creative use of technology



Sakhiyon ki Badi (Rajasthan)

IIFL Foundation's **Sakhiyon Ki Badi** initiated community based learning centers that work towards eradication of female illiteracy from districts dominated by Scheduled Tribe population operating across 11 districts of Rajasthan. The primary objective of the initiative is to create happy, confident, educated girls, empowering them to attain potential cognitive growth.

Centres	Districts	#Girls	#Boys
989	11	29,941	3,030



Maa bari

IIFL Foundation has partnered with Tribal Area Development Department (TADD), under Tribal Ministry of Rajasthan, to redevelop Maa Bari centers, operational at Udaipur and Pali district of Rajasthan. Maa Bari centers prove to be beneficial as a primary source of formal education in remotest locations, in absence of Govt. Schools in the vicinity. These learning centers aim to promote education among the children belonging to indigenous tribal communities, for children that first-generation of learners.

With a view of holistic development, IIFL Foundation is also engaged in enhancing the infrastructural development by installation Solar Panel facilitating clean electricity, Solar Powered Water Pump to provide water for drinking and sanitation, batteries for storage of electricity, installation of a ceiling fan & water tank, repair of toilets and construction of play-area for children.



Thank you

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