

# Performance Review

For the quarter ended June 2018

## IIFL Holdings Limited

Bloomberg: IIFL IN

KNOWLEDGE IS THE EDGE



[www.iifl.com](http://www.iifl.com)

July 31, 2018

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# IIFL Group – Quarterly results at a glance (as per IND AS)



Quarter ended June 2018

## Key highlights of the quarter

₹ Cr	Income	Y-o-Y (%)	Profit After Tax	Y-o-Y (%)
IIFL Finance	582.7	47%	195.8	68%
IIFL Wealth	289.1	17%	110.2	26%
IIFL Securities	194.1	(0%)	53.3	11%
Less: Inter Company Eliminations	(39.0)		(11.6)	
<b>IIFL Consolidated</b>	<b>1,026.9</b>	<b>29%</b>	<b>347.7</b>	<b>38%</b>
Minority Interest	-	-	78.6	42%
<b>IIFL Consolidated (post minority)</b>	<b>1,026.9</b>	<b>29%</b>	<b>269.1</b>	<b>37%</b>

Loan AuM grew 44% y-o-y to ₹33,653Cr

Asset quality remains sound with NNPA of 0.9%

Wealth assets grew 25% y-o-y to ₹1,40,898 Cr

Consolidated ROE expanded to 20.3% and ROA to 2.4%

### Notes:

- Income is net of interest expense
- There is a possibility of the financial results and the additional disclosures to be updated/amended because of adjustments owing to introduction of new standards/its interpretations and/or regulatory changes

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

Quarter ended June 2018



₹ Cr	Q1FY19	Q1FY18	Y-o-Y
Revenue from Operations	1,768.0	1,418.5	25%
Other income	38.4	16.1	138%
<b>Total Income</b>	<b>1,806.4</b>	<b>1,434.6</b>	<b>26%</b>
Employee cost	310.7	220.6	41%
Administration and other expenses	206.2	219.1	(6%)
Total expenses	517.0	439.7	18%
<b>EBITDA</b>	<b>1,289.5</b>	<b>994.9</b>	<b>30%</b>
Interest costs	757.3	605.1	25%
Depreciation and amortization	19.5	15.0	30%
<b>Profit before tax</b>	<b>512.7</b>	<b>374.8</b>	<b>37%</b>
Provision for taxation	168.2	122.1	38%
<b>Profit after tax</b>	<b>344.5</b>	<b>252.7</b>	<b>36%</b>
Other Comprehensive Income	3.2	(0.7)	
<b>Total Comprehensive Income</b>	<b>347.7</b>	<b>252.0</b>	<b>38%</b>
Total Comprehensive Income attributable to			
<b>Owners of the company</b>	<b>269.1</b>	<b>196.7</b>	<b>37%</b>
<b>Non-controlling interest</b>	<b>78.6</b>	<b>55.3</b>	<b>42%</b>

Note: Previous periods figures have been regrouped / rearranged wherever necessary

# IIFL Group – IGAAP to IND AS reconciliation

Quarter ended June 2018

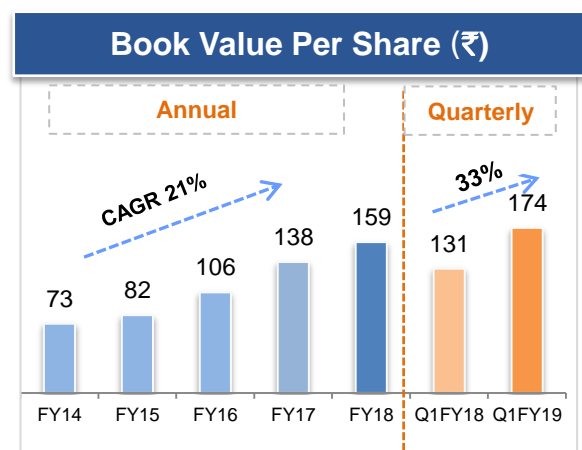
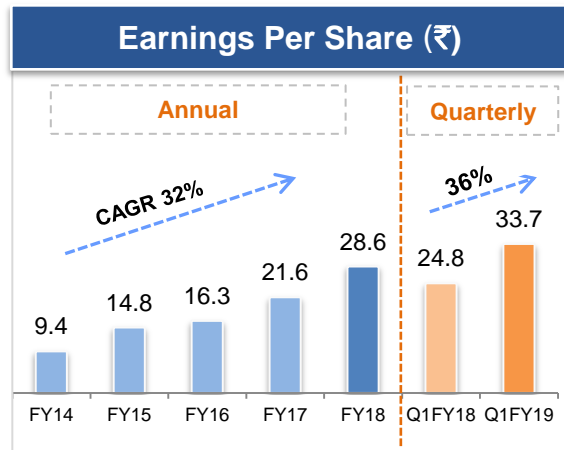
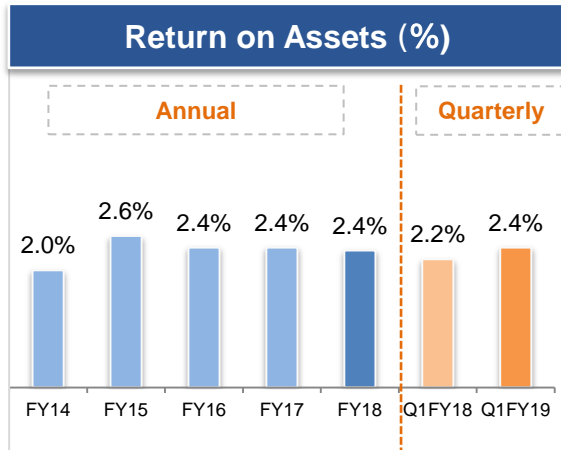
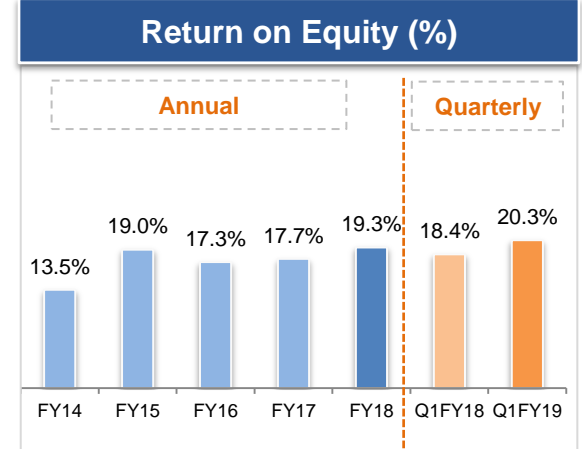
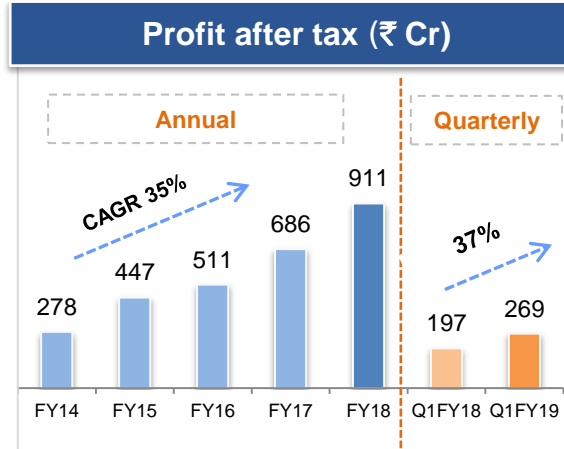
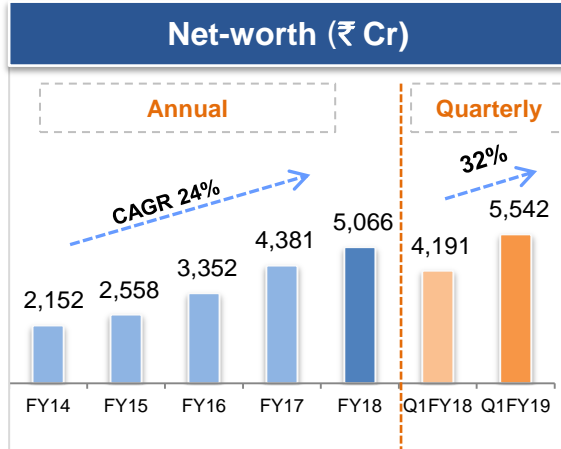


₹ Crore	Q1FY19	Q1FY18	Growth(%)	Remarks
<b>Profit after tax as per Indian GAAP *</b>	<b>297.1</b>	<b>251.9</b>	<b>19%</b>	
<b>Add/(less):</b>				
Fair valuation of Investments	2.8	26.4		MTM gain on investments recognised in P&L
Effective interest rate on financial assets	(2.3)	5.1		Amortisation of upfront fees, acquisition cost
Effective interest rate on financial liabilities	(0.2)	(2.2)		Amortisation of cost incurred on borrowings
Expected credit loss	44.1	(33.6)		Revised methodology as per IND AS on loan provisions. The release in Q1FY19 is due to resolution of old cases
Net gain on de-recognition of loans sold under assignment transaction	35.8	1.4		Recognition of interest spread on NPV basis
Reclassification of actuarial gains/losses on post-employment benefits to OCI	(4.6)	1.1		Gain/(loss) on actuarial valuation of retiral benefits to employees
Others	(1.9)	0.5		Includes goodwill, interest expense on preference shares, ESOP compensation etc.
Deferred tax impact on above adjustments	(26.3)	2.0		
<b>Profit after tax as per IND AS (before Other Comprehensive Income)</b>	<b>344.5</b>	<b>252.7</b>	<b>36%</b>	
<b>Other Comprehensive Income</b>				
Reclassification of actuarial gains/losses on post-employment benefits from P&L	4.6	(1.1)		Gain/(loss) on actuarial valuation of retiral benefits to employees
Deferred tax impact on above adjustments	(1.4)	0.4		
	-	-		
<b>Total Comprehensive Income *</b>	<b>347.7</b>	<b>252.0</b>	<b>38%</b>	

\* Before share of profit to minority shareholders

# IIFL Group – Consolidated financial trends

Quarter ended June 2018



#### Notes :

- Profit is post-minority, Quarterly ROE and EPS are annualized
- Q1FY18 and Q1FY19 numbers are as per IND AS. Previous years' numbers are as per IGAAP

# Update on IIFL Group Reorganisation



The Board of Directors of the Company at its meeting held on 31 January 2018, had approved the reorganization of IIFL Group, which will result in three listed entities – IIFL Finance, IIFL Wealth and IIFL Securities.

## ➤ Approvals received

- Reserve Bank of India (RBI)
- DFSA, Dubai
- MAS, Singapore
- FCA, UK
- FINRA, USA
- FSC, Mauritius

## ➤ Approvals awaited

- Exchanges & SEBI
- IRDAI
- National Housing Bank (NHB)
- NCLT

## ➤ Next Steps

- Stock Exchanges shall issue their “Observation Letters” acknowledging the Scheme, post approval from SEBI
- Post Stock Exchanges and SEBI approval, the Company will file an application with NCLT
- Meeting of equity shareholders, secured & unsecured creditors of the Company will be held for approving the Scheme
- Petition will be filed with NCLT seeking sanction/ approval to the Scheme
- Post NCLT approval, the order will be filed with RoC
- Post filing with RoC, Board Meeting of IIFL Holdings to be held, to take on record NCLT order & fix record date
- Resulting Companies to allot shares to shareholders of IIFL Holdings and file listing application with Stock Exchanges to seek listing and trading approval

## I: IIFL Group Performance Overview

### **(i) IIFL Finance**

### (ii) IIFL Wealth

### (iii) IIFL Securities

## II: Ownership, Management and Governance



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

Quarter ended June 2018 (NBFC, HFC and MFI)



₹ Cr	Q1FY19	Q1FY18	Y-o-Y
Loan book	28,362.5	20,381.2	39%
Securitised assets*	5,290.9	2,949.3	79%
<b>Assets under management</b>	<b>33,653.4</b>	<b>23,330.5</b>	<b>44%</b>
Interest income	1,124.7	828.1	36%
Less: Interest expense	610.3	485.0	26%
<b>Net Interest income</b>	<b>514.4</b>	<b>343.1</b>	<b>50%</b>
Other income	68.3	52.3	31%
<b>Total income</b>	<b>582.7</b>	<b>395.4</b>	<b>47%</b>
Less: Operating expense	248.1	158.7	56%
Less: Loan losses & provision	34.5	58.3	(41%)
<b>Profit before tax</b>	<b>300.1</b>	<b>178.4</b>	<b>68%</b>
Less: Provision for tax	105.2	61.2	72%
<b>Profit after tax</b>	<b>194.9</b>	<b>117.2</b>	<b>66%</b>
Other Comprehensive Income	0.9	(0.4)	
<b>Total Comprehensive Income</b>	<b>195.8</b>	<b>116.8</b>	<b>68%</b>

\*Includes Pass Through Certificate (PTC) and Direct Assignment

# IIFL Finance – IGAAP to IND AS reconciliation

Quarter ended June 2018



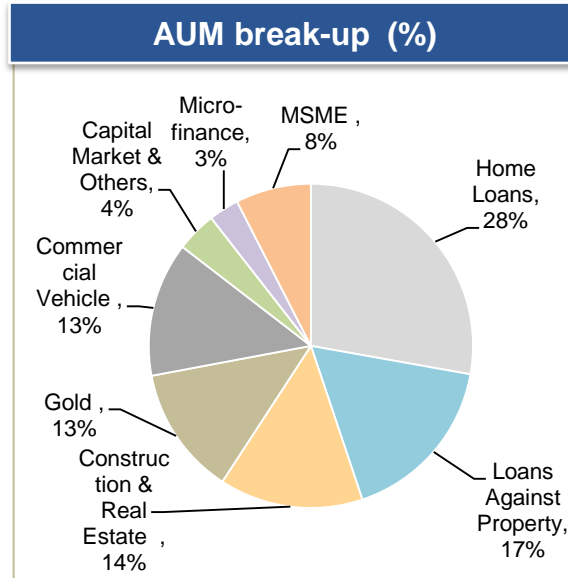
₹ Crore	Q1FY19	Q1FY18	Growth(%)	Remarks
<b>Profit after tax as per Indian GAAP</b>	<b>151.2</b>	<b>116.3</b>	<b>30%</b>	
<b>Add/(less):</b>				
Fair valuation of Investments	0.8	19.8		MTM gain on investments recognised in P&L
Effective interest rate on financial assets	(2.3)	5.1		Amortisation of upfront fees, acquisition cost
Effective interest rate on financial liabilities	(0.2)	(0.1)		Amortisation of cost incurred on borrowings
Expected credit loss	35.8	(23.1)		Revised methodology as per IND AS on loan provisions. The release in Q1FY19 is due to resolution of old cases
Net gain on de-recognition of loans sold under assignment transaction	35.8	1.4		Recognition of interest spread on NPV basis
Reclassification of actuarial gains/losses on post-employment benefits to OCI	(1.3)	0.6		Gain/(loss) on actuarial valuation of retiral benefits to employees
Others	(0.6)	(2.2)		Includes interest expense on preference shares, ESOP compensation etc.
Deferred tax impact on above adjustments	(24.2)	(0.6)		
<b>Profit after tax as per IND AS (before Other Comprehensive Income)</b>	<b>194.9</b>	<b>117.2</b>	<b>66%</b>	
<b>Other Comprehensive Income</b>				
Reclassification of actuarial gains/losses on post-employment benefits from P&L	1.3	(0.6)		Gain/(loss) on actuarial valuation of retiral benefits to employees
Deferred tax impact on above adjustments	(0.5)	0.2		
<b>Total Comprehensive Income</b>	<b>195.8</b>	<b>116.8</b>	<b>68%</b>	

# Achieving volume & profit growth with superior asset mix

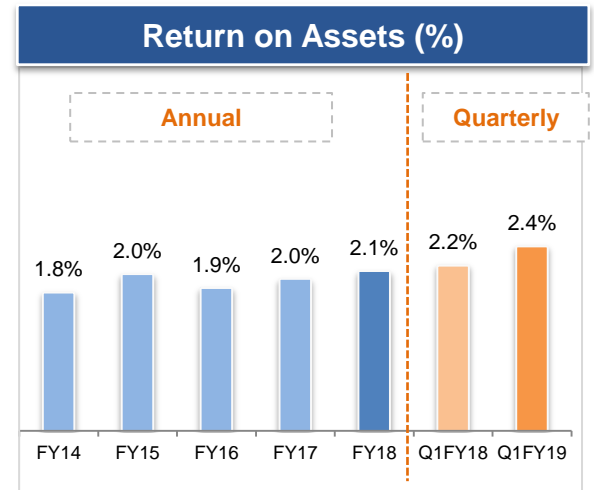
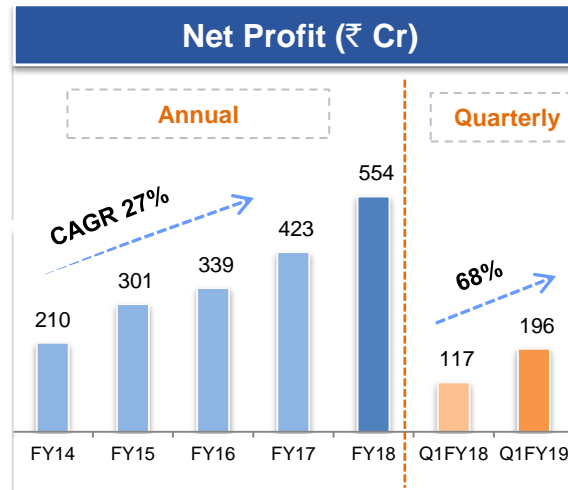
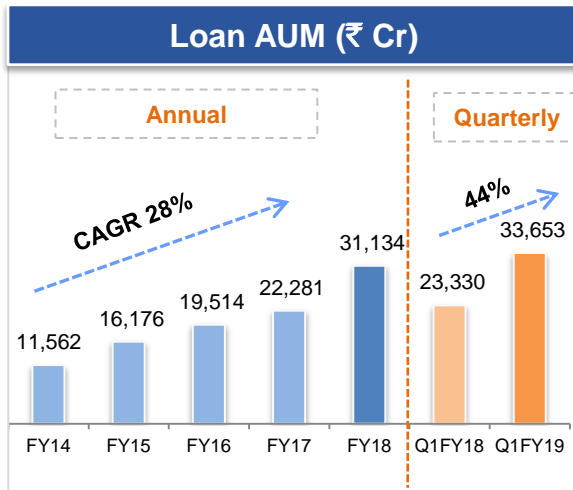


Quarter ended June 2018

- AuM growth driven primarily by small-ticket home loans, MSME loans and micro-finance loans
- Gold, CV and Construction Finance loans have also grown strongly
- LAP and Capital market loans have grown moderately
- ROE improved to 20.7% and ROA to 2.4%



Loan AUM (₹Cr)	Q1FY19	Y-o-Y	Q-o-Q
Home Loan	9,327	57%	9%
LAP	5,718	4%	(0%)
Construction & Real Estate	4,810	37%	11%
Commercial Vehicle	4,309	45%	6%
Gold	4,495	60%	11%
Capital Market & Others	1,354	10%	3%
MSME	2,529	139%	13%
Microfinance	1,111	291%	32%
<b>Total</b>	<b>33,653</b>	<b>44%</b>	<b>8%</b>



#### Notes

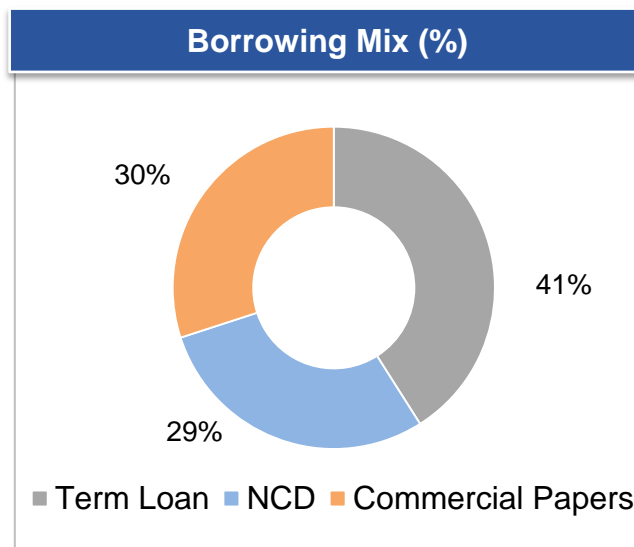
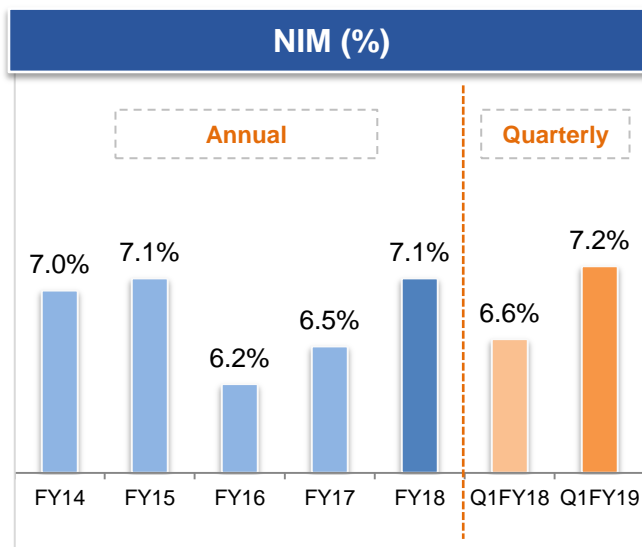
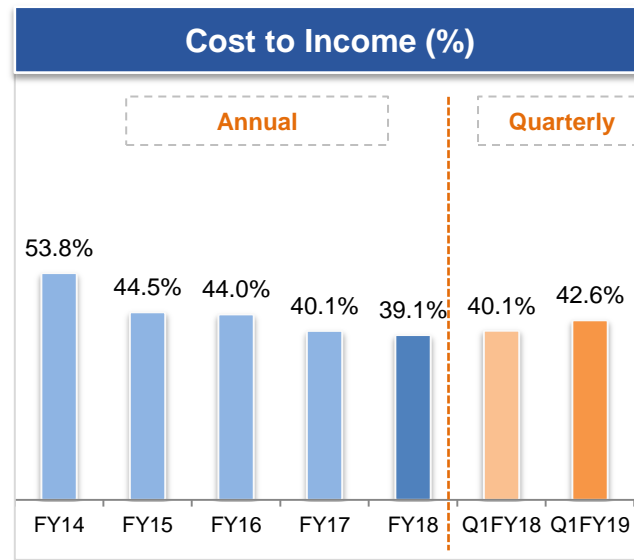
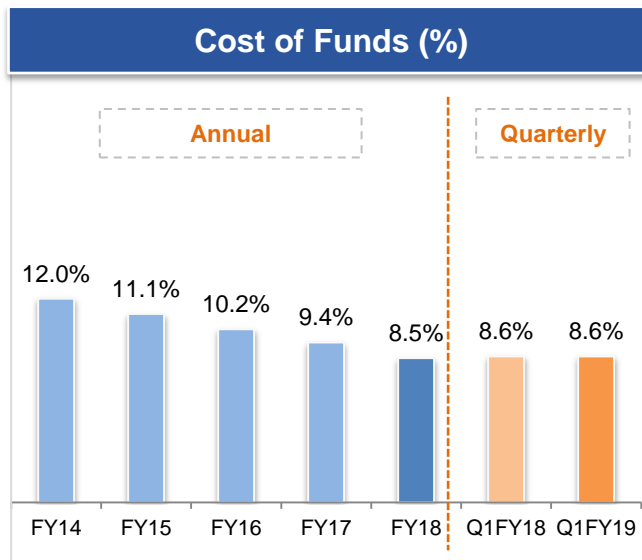
- MSME & Others include Healthcare equipment, SME and Digital finance
- Q1FY18 and Q1FY19 numbers are as per IND AS. Previous years' numbers are as per IGAAP

# Funding costs rise, yields rise in tandem, NIM expands



Quarter ended June 2018

- Average cost of borrowing rose by 20bps q-o-q but still down 5bps y-o-y
- NIM expanded by 66bps to 7.2%, primarily due to recognition of interest on Stage 3 assets and upfront gain on assignment
- Cost/income ratio was at 42.6% and opex to average loan book ratio at 3.5%
- Small ticket loan products are opex intensive, including Gold, CV, MSME and MFI. Upward pressure on operating costs due to higher share of these products, will be partly offset by operating leverage and benefits of digitisation



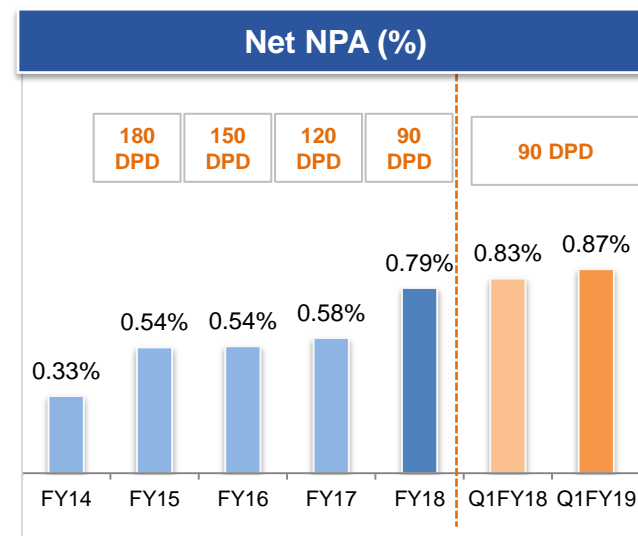
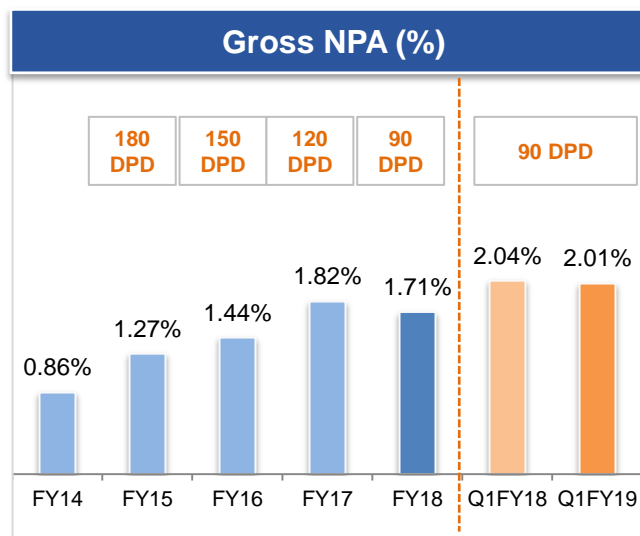
Note : Q1FY18 and Q1FY19 numbers are as per IND AS. Previous years' numbers are as per IGAAP

# Through cycles, maintaining superior quality of assets

Quarter ended June 2018



- Asset quality remained sound with GNPA of 2.0% and NNPA of 0.9%
- With implementation of Expected Credit Loss under IndAS, specific provision coverage on NPAs stands at 57%
- The overall portfolio risk is on the decline, as our portfolio mix continues to become more granular
- 85% of our loans are retail in nature and 43% are PSL compliant.
- Tier-I CAR stands at 15.9% and total CAR at 19.0%



	% Portfolio Share	NNPA%	Yield %	Average Ticket Size (₹Lakh)	LTV %
Home Loan	28%	0.6%	9.8%	21.0	69%
Loan Against Property	17%	0.6%	12.3%	68.5	49%
Construction & Real Estate	14%	0.8%	14.9%	1,112.0	48%
Commercial Vehicle	13%	3.0%	15.7%	14.0	75%
Gold	13%	0.0%	20.1%	0.6	69%
Capital Market & Others	4%	0.0%	11.2%	64.0	42%
MSME	8%	2.4%	23.2%	7.0	55%
Micro-finance	3%	0.0%	25.1%	0.2	-
<b>Total</b>	<b>100%</b>	<b>0.9%</b>	<b>14.5%</b>		

Note : Q1FY18 and Q1FY19 numbers are as per IND AS. Previous years' numbers are as per IGAAP

# Product wise split of Expected Credit Loss (ECL)

Quarter ended June 2018



Product	Stage 1			Stage 2			Stage 3		
	PD (%)	LGD (%)	ECL(%)	PD (%)	LGD (%)	ECL(%)	PD (%)	LGD (%)	ECL(%)
Home loan	0.7	27.4	0.2	11.5	27.4	3.1	100.0	27.4	27.4
LAP	1.5	36.8	0.5	2.5	36.8	0.9	100.0	36.8	36.8
Construction & Real Estate	0.8	50.0	0.4	3.9	50.0	1.9	100.0	50.0	50.0
Commercial Vehicle	8.7	33.0	2.9	16.5	33.0	5.4	100.0	33.0	33.0
MSME	3.0	48.1	1.5	6.5	48.1	3.1	100.0	48.1	48.1
Capital Markets	0.0	50.0	0.0	0.0	50.0	0.0	100.0	50.0	50.0
Gold Loans	0.7	26.7	0.2	0.7	26.7	0.2	100.0	26.7	26.7

- For home loans, LGD is taken based on RBI Circular for residential mortgages
- For Construction & RE finance, MSME and Capital Market loans, LGD of 50% taken for secured portfolio and 65% for unsecured portfolio based on RBI Circular for IRB framework, 2011
- For Construction & RE finance, PD is based on CRISIL Default Study, 2017
- For products with no vintage data, PD rate of 0.03% has been applied on annual basis
- Additional ECL has been provided for weak standard accounts

## ➤ Appointment of CEO & Executive Director in IIFL Finance

- IIFL Finance appointed Mr Sumit Bali as the Executive Director and Chief Executive Officer of the company with effect from June 25, 2018.
- Mr Bali previously held the position of Senior Executive Vice President, overseeing consumer banking retail assets at Kotak Mahindra Bank.
- He holds a B.A (Hon) from St. Stephen's college, New Delhi and has completed his PGDM from IIM Ahmedabad.

## ➤ IIFL Finance issue of Masala Bonds to CDC Group

- IIFL Finance raised ₹325 Cr from CDC Group Plc, UK
- IIFL Group's maiden Masala bonds issue
- The Rupee denominated Tier – II qualifying subordinated bonds have a tenor of 10 years
- CDC's investment is aimed at helping IIFL Finance grow its loan book, primarily small-ticket home and SME loans to low income, under-served and largely self-employed segments of the society.

## ➤ IIFL Home Finance – recognition by Ministry of Housing and Urban Affairs

IIFL Home Finance was awarded 2nd best performing Primary Lending Institution under Credit Linked Subsidy Scheme for EWS/LIG by Ministry of Housing and Urban Affairs.



## ➤ ‘Green Building’ Initiative – Project Kutumb

- An initiative to promote sustainable and energy efficient real estate development via IIFL’s developer finance business.
- The first event, held on June 08, 2018, brought together leading industry professionals in real estate, green and sustainable infrastructure sector.
- Our partners include NHB, CDC, Green Business Certification Inc (GBCI) and Ashok B. Lall.





## I: IIFL Group Business Overview

(i) IIFL Finance

**(ii) IIFL Wealth**

(iii) IIFL Securities

## II: Ownership, Management and Governance

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

Quarter ended June 2018



₹Cr	Q1FY19	Q1FY18	Y-o-Y
<b>Assets under advice, management and distribution</b>	<b>1,40,898</b>	<b>1,12,585</b>	<b>25%</b>
Fee based income	254.3	192.3	32%
Less: Direct Cost	15.5	14.2	9%
<b>Net Commission / Fee Income</b>	<b>238.8</b>	<b>178.1</b>	<b>34%</b>
Fund based income	173.1	171.3	1%
Less: Interest expense	122.8	102.7	20%
<b>Net fund based income</b>	<b>50.3</b>	<b>68.6</b>	<b>(27%)</b>
<b>Total income</b>	<b>289.1</b>	<b>246.7</b>	<b>17%</b>
Employee cost	104.1	82.3	26%
Other operating expense	38.3	34.5	11%
Provision charges	(4.4)	4.7	nm
<b>Total expenses</b>	<b>138.0</b>	<b>121.5</b>	<b>14%</b>
<b>Profit before tax</b>	<b>151.1</b>	<b>125.2</b>	<b>21%</b>
Provision for taxation	41.5	37.8	10%
<b>Profit after tax</b>	<b>109.6</b>	<b>87.4</b>	<b>25%</b>
Other Comprehensive Income	0.9	0.5	
Deferred tax impact on OCI	0.3	0.2	
<b>Total Comprehensive Income (after tax)</b>	<b>110.2</b>	<b>87.7</b>	<b>26%</b>

# IIFL Wealth – IGAAP to IND AS reconciliation

Quarter ended June 2018



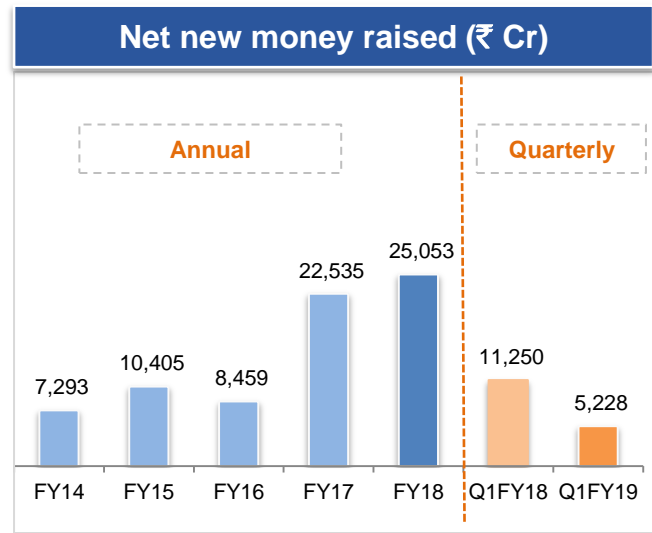
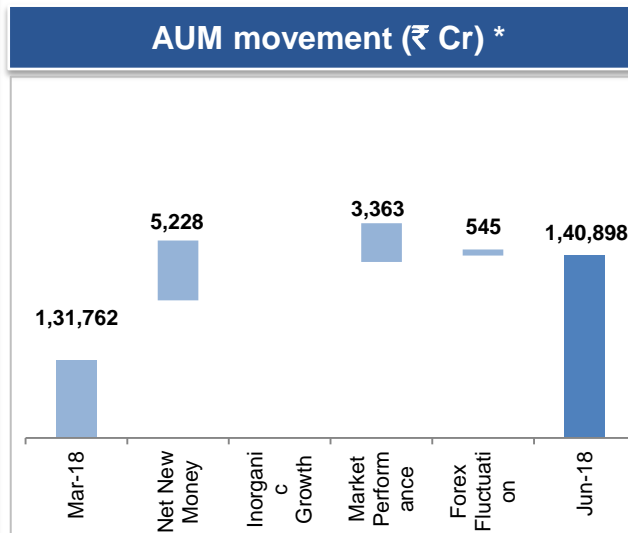
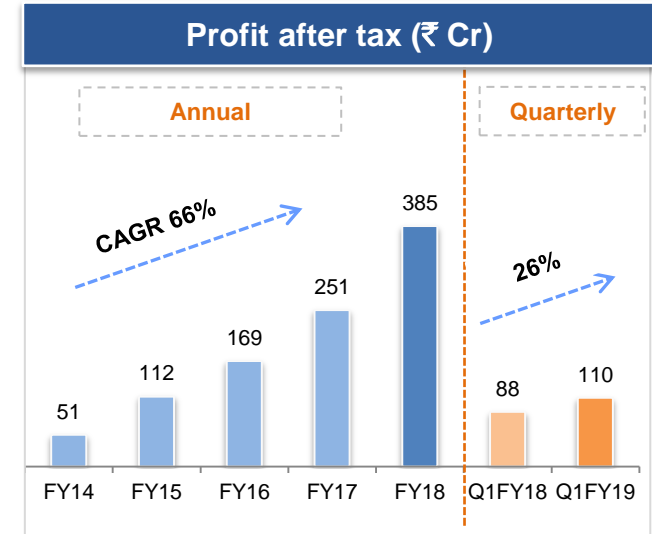
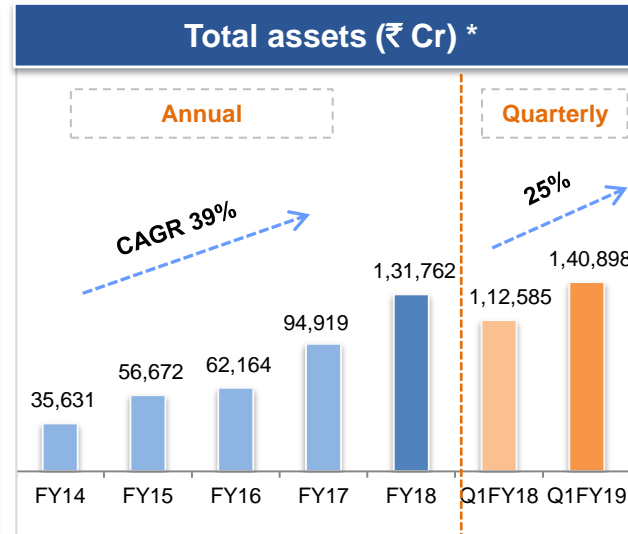
₹ Crore	Q1FY19	Q1FY18	Growth(%)	Remarks
<b>Profit after tax as per Indian GAAP</b>	<b>110.8</b>	<b>86.5</b>	<b>28%</b>	
<b>Add/(less):</b>				
Fair valuation of Investments	0.7	4.6		MTM gain on investments recognised in P&L
Effective interest rate on financial liabilities	-	(2.0)		Amortisation of cost incurred on borrowings
Reclassification of actuarial gains on post-employment benefits to OCI	(0.9)	(0.5)		Gain/(loss) on actuarial valuation of retiral benefits to employees
Others	(1.1)	(1.1)		Includes ESOP compensation
Deferred tax impact on above adjustments	0.1	(0.2)		
<b>Profit after tax as per IND AS (before Other Comprehensive Income)</b>	<b>109.6</b>	<b>87.4</b>	<b>25%</b>	
<b>Other Comprehensive Income</b>				
Reclassification of actuarial gains on post-employment benefits from P&L	0.9	0.5		Gain/(loss) on actuarial valuation of retiral benefits to employees
Deferred tax impact on above adjustments	(0.3)	(0.2)		
<b>Total Comprehensive Income</b>	<b>110.2</b>	<b>87.7</b>	<b>26%</b>	

# Leading Wealth manager in India

Quarter ended June 2018



- AuM growth remains robust at 25% y-o-y
- Largest fund manager of AIFs. AUM grew 60% y-o-y to ₹13,422Cr
- PAT grew by 26% y-o-y to ₹110Cr for the quarter
- During the quarter, IIFL Wealth raised ₹746 Cr by way of equity issuance to institutional investors: Amansa, General Atlantic, HDFC Standard Life Insurance, Rimco, Steadview & Ward Ferry. The additional capital will be used for business operations and for growth and expansion of business.



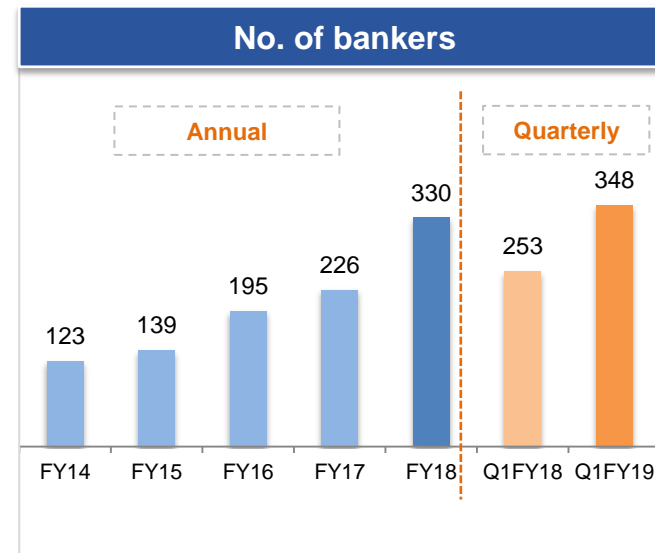
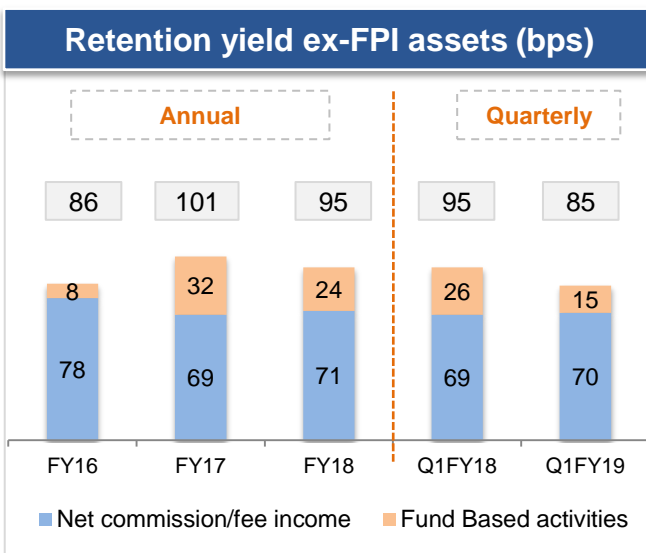
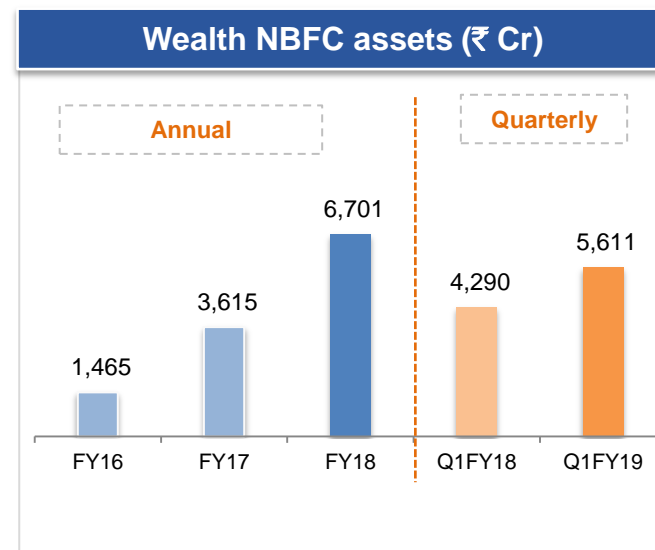
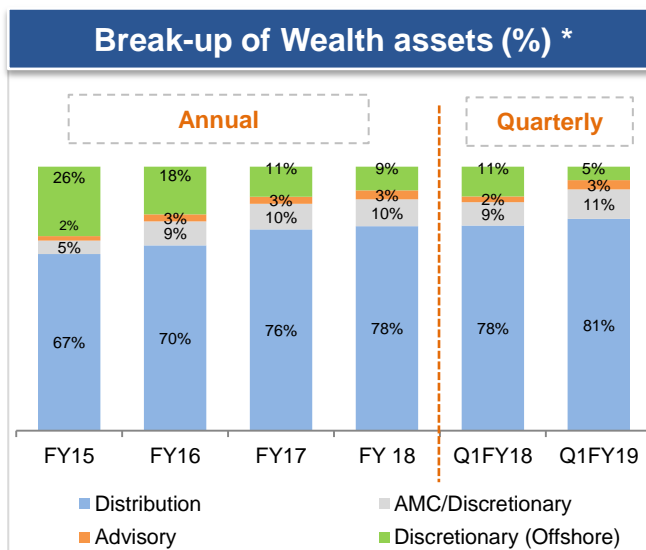
\* Offshore FPI advisory assets have been excluded from total assets given their negligible contribution to income  
 Note : Q1FY18 and Q1FY19 numbers are as per IND AS. Previous years' numbers are as per IGAAP

# Broadening advisory and asset management services

Quarter ended June 2018



- Wealth NBFC, which mainly offers loans against securities, grew its loan book 31% y-o-y to ₹5,611Cr
- Presence in 23 Offices across 9 geographies
- Hired 18 bankers during Q1FY19, taking the total number to 348, to further drive the growth momentum
- For the quarter ended June 30, 2018, the retention yield stands at 85 bps



\* Offshore FPI advisory assets have been excluded from total assets given their negligible contribution to income  
 Note : Q1FY18 and Q1FY19 numbers are as per IND AS. Previous years' numbers are as per IGAAP

## I: IIFL Group Performance Overview

(i) IIFL Finance

(ii) IIFL Wealth

**(iii) IIFL Securities**

## II: Ownership, Management and Governance

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

Quarter ended June 2018



₹ Cr	Q1FY19	Q1FY18	Y-o-Y
Revenue from Operations	207.8	204.5	2%
Other income	13.7	14.9	(9%)
<b>Total Income</b>	<b>221.5</b>	<b>219.4</b>	<b>1%</b>
Employee cost	59.1	42.2	40%
Finance cost	27.4	29.6	(7%)
Depreciation and amortisation expense	9.9	7.8	27%
Administration and other expense	52.0	68.1	(24%)
Total Expenses	148.4	147.7	0%
<b>Profit before tax</b>	<b>73.1</b>	<b>71.7</b>	<b>2%</b>
Provision for taxation	21.5	23.1	(7%)
<b>Profit after tax</b>	<b>51.6</b>	<b>48.6</b>	<b>6%</b>
Other Comprehensive Income	1.7	(0.6)	
<b>Total Comprehensive Income</b>	<b>53.3</b>	<b>48.0</b>	<b>11%</b>

# IIFL Securities – IGAAP to IND AS reconciliation

Quarter ended June 2018



Particulars (₹ Crore)	Q1FY19	Q1FY18	Growth(%)	Remarks
<b>Profit after tax as per Indian GAAP</b>	<b>46.7</b>	<b>48.9</b>	<b>(4%)</b>	
<b>Add/(less):</b>				
Fair valuation of Investments	1.4	2.0		MTM gain on investments recognised in P&L
Effective interest rate on financial liabilities	*0	(0.2)		Amortisation of cost incurred on borrowings
Expected credit loss	8.3	(10.4)		Revised methodology as per IND AS on financial assets.
Reclassification of actuarial gains/losses on post-employment benefits to OCI	(2.3)	0.9		Gain/(loss) on actuarial valuation of retiral benefits to employees
Others	(0.3)	4.6		Includes ESOP compensation etc
Deferred tax impact on above adjustments	(2.2)	2.8		
<b>Profit after tax as per IND AS (before Other Comprehensive Income)</b>	<b>51.6</b>	<b>48.6</b>	<b>6%</b>	
<b>Other Comprehensive Income</b>				
Reclassification of actuarial gains/losses on post-employment benefits to OCI	2.3	(0.9)		Gain/(loss) on actuarial valuation of retiral benefits to employees
Deferred tax impact on above adjustments	(0.6)	0.3		
<b>Total Comprehensive Income</b>	<b>53.3</b>	<b>48.0</b>	<b>11%</b>	

\* Less than Rs 1Lakh

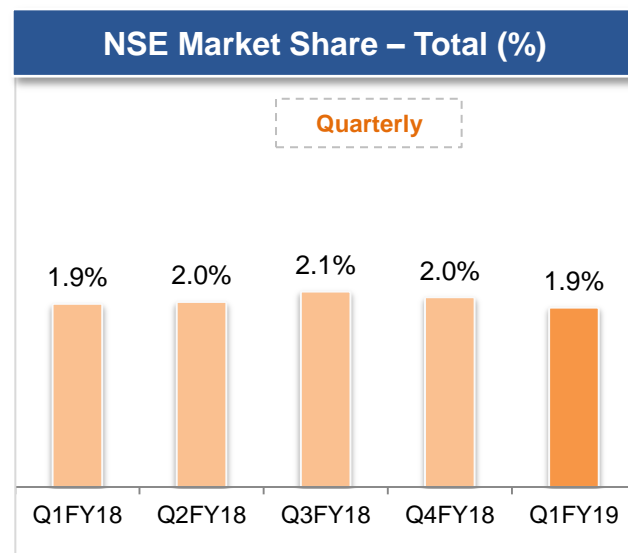
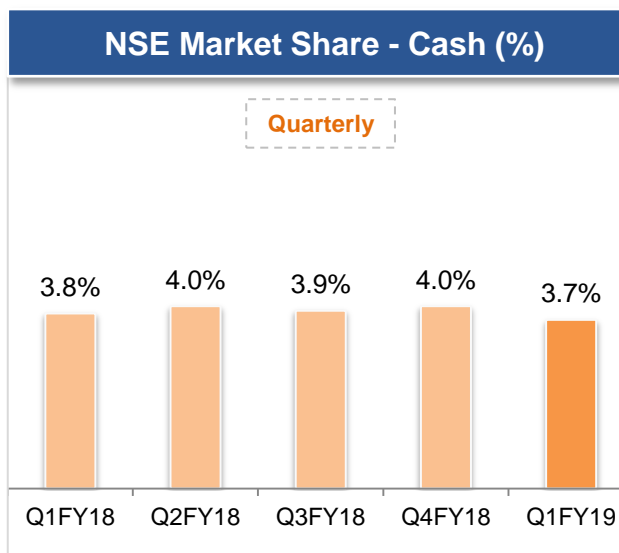
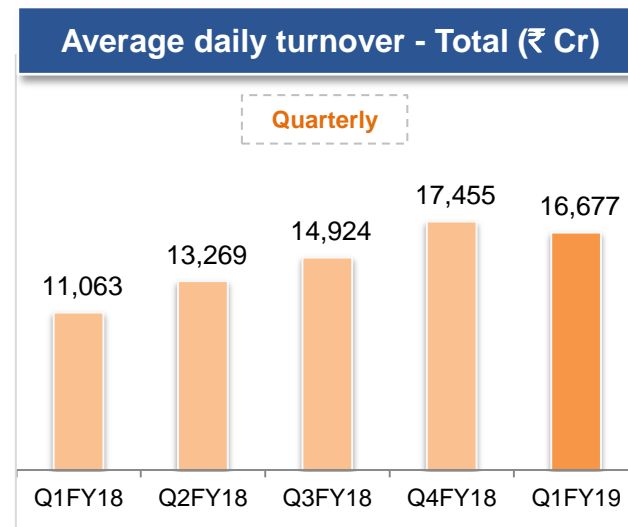
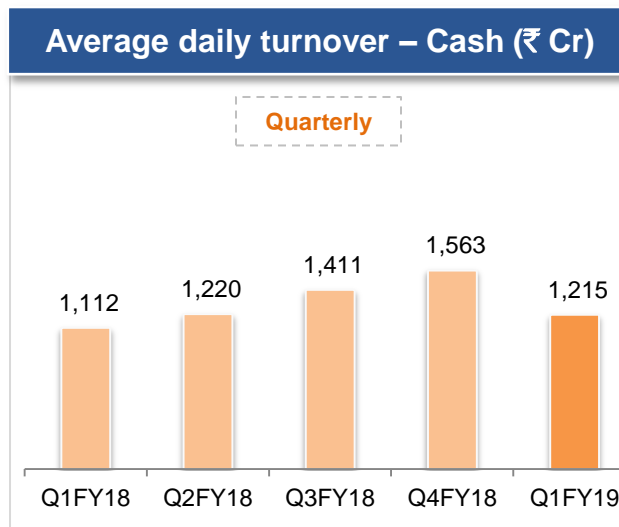


# IIFL Securities – Turnover and market share

Quarter ended June 2018



- IIFL is a key player in both retail and institutional segments with a 3.7% share of daily cash turnover
- Average daily cash turnover was up 9% y-o-y to ₹1,215 Cr. versus 14% y-o-y growth in exchange cash turnover
- Average daily F&O turnover was up 55% y-o-y to ₹15,462 Cr. versus 56% y-o-y growth in exchange F&O turnover
- Total average daily turnover (including F&O) was up 51% y-o-y to ₹16,677 Cr. versus 54% y-o-y growth in exchange turnover



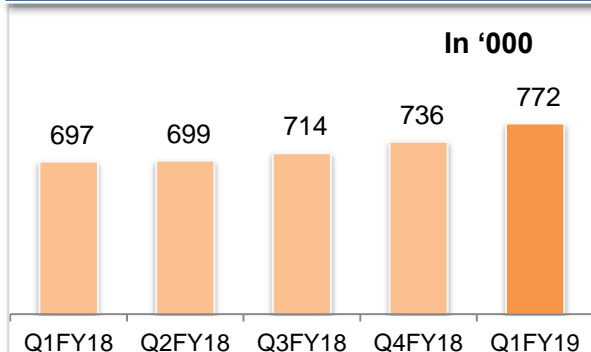
Note - Exchange turnover includes both NSE and BSE turnover for equity segment

# Digitization and Research backed institutional and retail equity businesses

Quarter ended June 2018

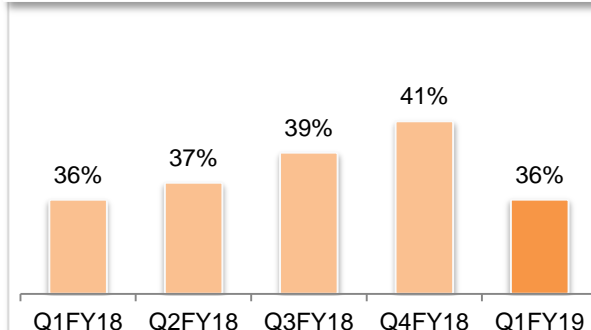


## Number of retail customers



- Wide network – retail branches, franchisees, sub-brokers and online
- Coverage of 500+ stocks
- Mobile brokerage ~34% of total

## Mobile trading clients (% of total)



## Distinguished Apps

### IIFL Markets



19,40,000 downloads



Highest rated (4.3) and Most downloaded stock trading app amongst peers

- 1000+ market and stock related news notifications
- Advanced research section launched with in depth fundamental analysis, peer comparison and model portfolio



### IIFL Mutual Funds

- **Rated 4.3**
- Watch list feature for tracking performance of selected schemes
- Real time lead creation of Guest Users

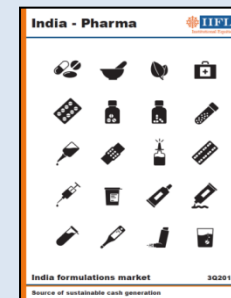


## Internationally acclaimed research



### India Cement

We explore the outbreak of capacity announcements which invites a looming price war over the medium term



### India Pharma

A detailed analysis of growth drivers and trends impacting the India formulations market

- Pedigreed institutional equities team comprising 25 analysts and 200+ stocks under coverage
- Stellar track record in block placements with institutional investors
- Known for market leading distribution franchise across investor segments

# Investment Banking has made significant strides

Quarter ended June 2018



- Investment Banking continued to record a strong performance
- 6 transactions were completed this quarter across various products- IPO/QIP/Private Equity/Public issue of NCD
- We have a substantial pipeline of transactions which are at various stages of execution

## Marquee Issues

**Varroc Engineering**

**IPO**



₹1,955 Cr  
(June 2018)

**IIFL Wealth Management**

**Private Equity**



₹746 Cr  
(June 2018)

**Simplex Infrastructures**

**QIP**



₹402 Cr  
(May 2018)

**Magma Fincorp**

**QIP + Block Deal**



₹885 Cr  
(April 2018)

**Dewan Housing Finance**

**Public Issue of NCD**



₹10,945 Cr  
(May 2018)

**SREI Equipment Finance**

**Public Issue of NCD**



₹509 Cr  
(May 2018)

**IRB InvIT Fund**

**IPO**



₹5,033 Cr  
(May 2017)

**State Bank of India**

**QIP**



₹15,000 Cr  
(June 2017)

**ICICI Securities**

**IPO**



₹3,515 Cr  
(March 2018)

**ICICI Lombard  
General Insurance**

**IPO**



₹5,700 Cr  
(September 2017)

**Reliance AMC**

**IPO**



₹1,542 Cr  
(October 2017)

## I: IIFL Group Business Overview

(i) IIFL Finance

(ii) IIFL Wealth

(iii) IIFL Securities

## II: Ownership, Management and Governance

## IIFL Holdings Ltd

(Listed co. | Bloomberg Code: IIFL IN)

Three key operating businesses - Multiple subsidiaries to comply with all applicable regulators

### IIFL Finance

#### Loan AUM

₹33,653 Cr retail focused diversified loan assets

#### Products

Home, LAP, Gold, Commercial Vehicle, SME and Micro Finance loans

#### Financials Q1FY19

Income ₹583 Cr  
Profit after tax ₹196 Cr

#### Minority Shareholders

CDC Group plc - 15.4%

### IIFL Wealth

#### Wealth Assets

₹1,40,898 Cr from 10,000+ high networth families

#### Products

Family office, AIFs, advisory and distribution services

#### Financials Q1FY19

Income ₹ 289 Cr  
Profit after tax ₹110 Cr

#### Minority Shareholders

General Atlantic - 21.5%  
Institutional investors – 4.8%  
Employees – 20.0%

### IIFL Securities

#### Customers and network

24 lakh customers serviced from 1,300+ locations

#### Products

Retail and institutional broking, investment banking

#### Financials Q1FY19

Income ₹194 Cr  
Profit after tax ₹53 Cr

#### Minority Shareholders

Nil

Notes – (i) Income is net of interest expense (ii) PAT is pre-minority (iii) Loan/Wealth assets as at June 30, 2018

(iv) Q1FY19 numbers are as per IND AS.

# Consistent Vision and Values since inception for the foundation of corporate culture



## Vision

“To become the Most Respected Company in the financial services space”

## Vision 2020\*

### Doubling

Revenue 2x  
Net profit 2.5x  
over FY16-FY20



### Durability

Reducing volatility and  
cyclicality of earnings in all  
businesses



### De-risking

Diversifying revenue  
sources with focus on  
financial services

## Values

### Fairness

Fairness in our transactions with  
all stakeholders including  
employees, customers, and  
vendors, bereft of fear or favour

### Integrity

Integrity and honesty of the  
utmost nature, in letter, in spirit,  
and in all our dealings with  
people, internal or external

### Transparency

Transparency in all our dealings  
with stakeholders, media,  
investors, and the public at large

\*The information is based on management's internal goals and is subject to change without notice. The actual performance can be materially different.

# Distinguished Board of Directors



## IIFL Holdings – Board of Directors



**Nirmal Jain**, Executive Chairman

- MBA from IIM Ahmedabad, rank-holder CA and Cost Accountant
- Founded and led IIFL since 1995



**R Venkataraman**, Managing Director

- MBA from IIM Bangalore, B-Tech from IIT Kharagpur
- Co-promoter of IIFL since 1999



**Nilesh Vikamsey**, Independent Director

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



**A K Purwar**, Independent Director

- Former Chairman, State Bank of India



**S Narayan**, Independent Director

- Former finance secretary, former economic advisor to Prime Minister



**C Ratnaswami**, Non-Executive Director

- MD of Hamblin Watsa, subsidiary of Fairfax



**Kranti Sinha**, Independent Director

- Former CEO of LIC Housing Finance



**Geeta Mathur**, Independent Director

- CFO of Helpage India

## NBFC



**V. K. Chopra**

- Chairman, India Infoline Finance Ltd
- Former Whole-Time Member, SEBI



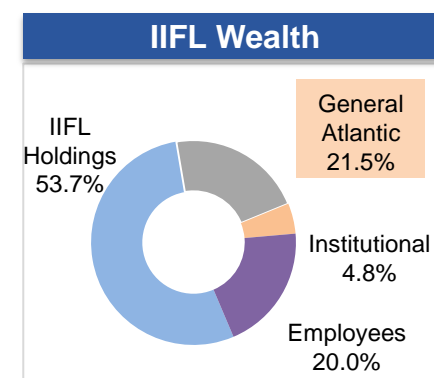
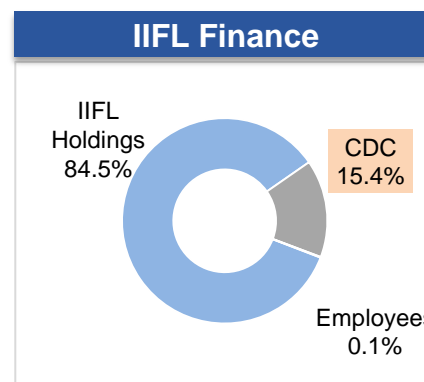
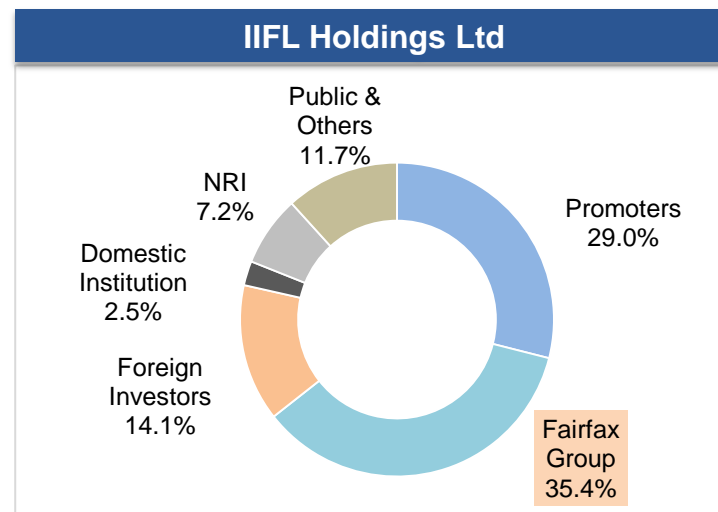
**S. Sridhar**

- Chairman, India Infoline Housing Finance Ltd
- Former Chairman, NHB

## Management team with rich domain experience and ownership

<b>Chairman</b>	<b>Nirmal Jain</b>
<b>Managing Director</b>	<b>R. Venkataraman</b>
<b>IIFL Finance</b>	Sumit Bali
<b>IIFL Home Finance</b>	Monu Ratra
<b>IIFL Wealth</b>	Karan Bhagat
<b>Offshore Asset Management</b>	Amit Shah
<b>Institutional Equities</b>	H. Nemkumar
<b>Investment Banking</b>	Nipun Goel
<b>PMS &amp; Retail Broking</b>	Arindam Chanda
<b>Realty Services</b>	Balaji Raghavan
<b>Finance</b>	Prabodh Agrawal
<b>Compliance</b>	R. Mohan
<b>Company Secretary</b>	Gajendra Thakur
<b>Strategy</b>	Aniruddha Dange

## Marquee Investors



Notes : Shareholding pattern as at June 30, 2018



# IIFL's brand and credibility are substantiated by multiple awards



## Best Customer Services Excellence in Financial Services

### World Quality Congress and Awards 2018



## IIFL Home Finance awarded 2nd best performing Primary Lending Institution under Credit Linked Subsidy Scheme for EWS/LIG Ministry of Housing and Urban Affairs



## Mr R Venkataraman featured as the Best CEO in Business World's listing for large category firms



## IIFL emerged as the top Investment banker for equity issuances for private companies as per Prime Database rankings for FY 2017-18



**IIFL is the # 1 banker for equity issuances  
by private sector companies in FY2017-18.**

As per Prime Database Investment Bankers League Tables FY2017-18 of Private Sector Issuers for aggregated equity IPOs, FPOs, QIPs and InvIT IPOs by issue amount on full credit basis.

## 'World's Best Private Banks 2018' research award

Global Finance Magazine



## Sakhiyon ki Baadi

An initiative undertaken in rural, remote areas of Rajasthan, to promote education of out-of-school and illiterate girls

### Activities at SKB

- **Origami/Clay Modelling:** undertaken as an initiative of 'schematic learning through repeatable actions'. Children created many different objects, crafts and artefacts, giving wings to their creativity and imagination.
- **Veerta Divas:** Maharana Pratap jayanti, an auspicious day in the region, was celebrated with great enthusiasm in all the SKBs with role plays, art depictions and musical recitals on history.
- **Local language musical recitals:** folk music recitals were conducted at our SKBs with the aim of promoting awareness of the region's cultural heritage, and boost confidence in communication among our students. Performances were held before respective village Panchayats and were well appreciated.

12  
Districts

1,165  
Community  
Schools

36,099  
Beneficiaries



## Matrubhoomi Education Society

Matribhumi Trust runs a school in Kandivali (Mumbai) with an enrolment of over 600 children, It was on the verge of closing down due to lack of funds and debt. IIFL foundation extended its support by granting funds that provided the school a fresh lease of life. All the children attending the school hail from weak financial conditions. The granted funds have enabled the school to function for another year, covering all of their necessary expenses.



**Thank you**

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