



January 29, 2021

The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001. BSE Scrip Code: 532636	The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5 Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. NSE Symbol: IIFL
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Sub: Outcome of the Board Meeting held on January 29, 2021

Dear Sir/Madam,

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors of the Company at its meeting, held today, *inter alia*, considered and approved the following:

1. The Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2020.
2. Interim dividend of Rs. 3 per equity shares of the face value of Rs. 2/- each for the financial year 2020-21. The Company has fixed February 06, 2021 as the record date for this purpose. The said interim dividend will be paid/ dispatched on or before February 20, 2021.
3. IIFL Asset Management Limited (IIFL AMC) has executed a binding term sheet with a renowned global alternate investment manager (Investor) for 33.3% contribution by the Investor in the AIF, subject due diligence to the satisfaction of the Investor. The AIF will have sponsor's contribution of around 33.3% from the Company. The balance contribution in the AIF is expected from other investors. The AIF will have target size of ₹3600 crores for secondary purchase of NCDs of real estate projects and providing additional liquidity for completion of the same.
4. Accordingly, with regards to aforesaid serial No. 1 we are enclosing the following:
 - i. The Unaudited Standalone and Consolidated Financial Results along with the Limited Review Report for the quarter and nine months ended December 31, 2020 as required under Regulation 33 of the Listing Regulations;



IIFL Finance Limited (formerly known as IIFL Holdings Limited)

CIN No.: L67100MH1995PLC093797

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

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

Regd. Office – IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604

Tel: (91-22) 4103 5000. Fax: (91-22) 2580 6654 E-mail: csteam@iifl.com Website: www.iifl.com



The results have been uploaded on the Stock Exchange websites at <http://www.nseindia.com> and <http://www.bseindia.com> and on the website of the Company at <http://www.iifl.com>

The Meeting of Board of Directors commenced at 10:00 a.m. and concluded at 1.00 p.m. Kindly take above on record and oblige.

Thanking You,
Yours faithfully,

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

Sneha Patwardhan
Company Secretary
Place: Mumbai

Encl: as above



CC:

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

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E-mail : Mumbai@vsa.co.in
Website : www.vsa.co.in

V. SankarAiyar & Co.
CHARTERED ACCOUNTANTS
2-C, Court Chambers
35, New Marine Lines
Mumbai – 400 020

Independent Auditor's Review Report on Standalone Unaudited Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF

IIFL Finance Limited (formerly known as IIFL Holdings Limited)

1. We have reviewed the accompanying statement of standalone unaudited financial results of IIFL Finance Limited (formerly known as IIFL Holdings Limited) ("the Company") for the quarter and Nine month ended December 31, 2020.
2. This statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. We draw attention to Note 13 to the Statement, which fully describes that the Company has recognised impairment on financial assets to reflect the business impact and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic. Our conclusion on the statement is not modified in respect of the above matter.

Other Matters

6. The comparative figures presented in Standalone Financial Results for the corresponding quarter and nine month ended December 31, 2019 were reviewed by the predecessor auditor whose limited review report dated January 27, 2020 expressed an unmodified conclusion on those financial information which has been relied upon by us and which have been duly adjusted by the management to give effect to the composite scheme of arrangement as detailed in Note 6 to the standalone financial results.



V. Sankar Aiyar & Co.

The standalone financial results also include the audited results for the year ended 31 March 2020 which were reviewed by the predecessor auditor whose audit report dated May 28, 2020 expressed an unmodified conclusion on those financial results which has been relied upon by us.

Our conclusion on the statement is not modified in respect of the above matters.

Place: Mumbai
Date: January 29, 2021



For V. SankarAiyar& Co.,
Chartered Accountants
(FRN. 109208W)

G Sankar

G Sankar
Partner
(Membership No. 046050)
UDIN: 21046050AAAABA1206

IIFL Finance Limited (Formerly Known as IIFL Holdings Limited)

CIN: L67100MH1995PLC093797

Regd. Office - IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Estate, Wagle Estate, Thane - 400604

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

(Rs in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited (See note 18)	Unaudited (See note 18)	Unaudited (See note 6 & 18)	Unaudited	Unaudited (See note 6)	Audited
1	Income						
(I)	Revenue from operations						
(i)	Interest income	75,884.58	78,616.83	60,114.85	2,25,364.60	1,79,701.17	2,51,437.08
(ii)	Dividend income	575.00	-	70.00	588.33	107.50	4,418.08
(iii)	Fees and commission income	704.19	1,378.01	873.16	2,707.37	3,419.48	4,807.83
(iv)	Net gain on fair value changes	6,100.33	2,699.82	-	9,310.66	-	-
(v)	Net gain on derecognition of financial instruments under amortised cost category	2,644.88	376.06	1,421.66	4,175.11	4,189.92	4,299.10
(I)	Total Revenue from operations	85,908.98	83,070.72	62,479.67	2,42,146.07	1,87,418.07	2,64,962.09
(II)	Other income	425.86	2,562.16	755.67	3,282.39	1,410.57	2,157.91
(III)	Total Income (I+II)	86,334.84	85,632.88	63,235.34	2,45,428.46	1,88,828.64	2,67,120.00
2	Expenses						
(i)	Finance cost	34,205.86	36,805.71	32,240.85	1,15,627.67	90,556.15	1,24,835.59
(ii)	Net loss on fair value changes	-	-	1,260.63	-	3,851.19	9,436.95
(iii)	Net loss on derecognition of financial instruments under amortised cost category	24,937.39	2,415.35	5,942.95	38,281.53	34,239.70	35,407.41
(iv)	Impairment on financial instruments	(8,048.30)	21,886.55	(4,066.09)	17,187.87	(27,829.21)	(6,762.72)
(v)	Employee benefits expenses	9,938.32	10,769.11	10,641.60	30,919.51	33,012.65	44,073.92
(vi)	Depreciation, amortisation and impairment	2,212.52	2,382.89	2,328.93	6,613.15	6,678.59	8,940.89
(vii)	Other expenses	6,523.93	5,523.31	6,824.06	18,035.38	20,028.92	27,984.99
(IV)	Total Expenses	69,869.72	79,782.92	55,172.93	2,26,665.11	1,60,537.99	2,43,917.03
(V)	Profit/(Loss) before exceptional items and tax (III-IV)	16,465.12	5,849.96	8,062.41	18,763.35	28,290.65	23,202.97
(VI)	Exceptional Items (Refer note 9, 10 & 11)	-	-	310.22	5,304.96	460.61	460.61
(VII)	Profit before tax (V+VI)	16,465.12	5,849.96	8,372.63	24,068.31	28,751.26	23,663.58
3	Tax Expense:						
(i)	Current tax	2,091.04	5,434.29	-	7,525.33	-	4,193.34
(ii)	Deferred tax	1,780.77	(4,116.33)	2,060.42	(2,243.38)	6,942.69	986.03
(iii)	Current tax expense relating to prior years	-	405.80	(199.65)	438.31	(153.89)	(206.92)
(VIII)	Total Tax Expense	3,871.81	1,723.76	1,860.77	5,720.26	6,788.80	4,972.45
(IX)	Net profit before impact of rate change on opening deferred tax (VII-VIII)	12,593.31	4,126.20	6,511.86	18,348.05	21,962.46	18,691.13
(X)	Impact of change in the rate of opening deferred tax (Refer note 7)	-	-	-	-	8,748.80	3,810.75
(XI)	Net profit/(loss) after tax (IX-X)	12,593.31	4,126.20	6,511.86	18,348.05	13,213.66	14,880.38
(XII)	Other Comprehensive Income						
A (i)	Items that will not be reclassified to profit or loss						
(a)	Remeasurement of defined benefit liability/(asset)	(18.71)	39.95	(86.06)	30.24	(200.12)	(332.23)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	4.71	(10.06)	21.66	(7.61)	50.37	83.62
	Subtotal (A)	(14.00)	29.89	(64.40)	22.63	(149.75)	(248.61)
B (i)	Items that will be reclassified to profit or loss						
(a)	Cash flow hedge (net)	(5,691.45)	(559.11)	(63.80)	(6,250.55)	(1,002.28)	-
(ii)	Income tax relating to items that will be reclassified to profit or loss	1,432.42	140.72	16.06	1,573.14	252.25	-
	Subtotal (B)	(4,259.03)	(418.39)	(47.74)	(4,677.41)	(750.03)	-
	Other Comprehensive Income/(loss) (A+B)	(4,273.03)	(388.50)	(112.14)	(4,654.78)	(899.78)	(248.61)
(XIII)	Total Comprehensive Income/(loss) for the period/year (XI+XII)	8,320.28	3,737.70	6,399.72	13,693.27	12,313.88	14,631.77
	Paid up Equity Share Capital (Face value of Rs 2 each)	7,569.39	7,567.91	6,392.94	7,569.39	6,392.94	7,566.82
	Other Equity	-	-	-	-	-	3,53,214.02
(XIV)	Earnings Per Share (Face value of Rs 2 each)						
	Basic (Rs) *	3.33	1.09	1.72	4.85	3.50	3.94
	Diluted (Rs) *	3.33	1.09	1.72	4.85	3.49	3.93

* Quarter ended numbers are not annualised

In terms of report attached

Date : January 29, 2021
Place : MumbaiFor IIFL Finance Limited
(Formerly known as IIFL Holdings Limited)

R Venkataraman
Managing Director
DIN: 00011919


IIFL FINANCE LIMITED
(FORMERLY KNOWN AS IIFL HOLDINGS LIMITED)
CIN : L67100MH1995PLC093797

Regd. Office:- IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Estate, Wagle Estate, Thane – 400604

1. The above standalone unaudited financial results for the quarter and nine months ended December 31, 2020, have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on January 29, 2021. The Statutory Auditor of the Company have carried out the Limited Review of the aforesaid results and have issued an unmodified report.
2. These standalone unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India and in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. During the quarter ended December 31, 2020, the Company has allotted 73,942 equity shares (previous quarter: 54,645) having face value of Rs. 2/- each on exercise of stock options under the Employee Stock Option Schemes.
4. The Company's main business is Financing and Investing activities. All activities are carried out within India. As such there are no separate reportable segments as per Indian Accounting Standard 108 (Ind AS) on "Operating Segments".
5. The Board of Directors of the Company has declared an interim dividend of Rs.3 /- per equity share of the face value of Rs 2 /- each for the financial year 2020-2021. The Company has fixed February 06, 2021 as the Record Date for this purpose.
6. The Board of Directors of the Company at their meeting held on January 31, 2018, had approved the Composite Scheme of Arrangement amongst India Infoline Finance Limited ("India Infoline Finance"), IIFL Finance Limited (Formerly known as "IIFL Holdings Limited") ("the Company"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the following:
 - i. amalgamation of IIFL M&R with the Company;
 - ii. demerger of the Securities Business Undertaking (as defined in the Scheme) of Company into IIFL Securities;
 - iii. demerger of the Wealth Business Undertaking (as defined in the Scheme) of Company into IIFL Wealth;
 - iv. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of IIFL Wealth to its wholly owned subsidiary i.e., IIFL Distribution, on a going-concern basis;
 - v. Amalgamation of India Infoline Finance with the Company.



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The Appointed Date for the amalgamation of IIFL M&R with the Company is opening hours of April 01, 2017 and for all the other steps, the Appointed Date is opening hours of April 01, 2018.

The National Company Law Tribunal Bench at Mumbai (Tribunal) approved the Scheme on March 07, 2019 under the applicable provisions of the Companies Act, 2013.

Certified copy of the said order of the Tribunal was received by the Company on March 15, 2019 and filed with the Registrar of Companies on April 11, 2019 for complying with the provisions of Section 232 (5) of the Companies Act, 2013.

Clause 56.2.4 of the Scheme states that Part V of the Scheme dealing with the merger of India Infoline Finance with the Company shall be made effective upon receipt of Non-Banking Finance Company (NBFC) registration by the Company from the Reserve Bank of India (RBI). Pending the receipt of NBFC registration from RBI and based on the legal opinion obtained by the Company, the Board of Directors at its meeting held on May 13, 2019 decided to give effect to the Scheme (except for the part relating to amalgamation of India Infoline Finance with the Company) in the following manner:

- a) Merger of IIFL M&R with the Company with effect from the Appointed Date i.e. April 01, 2017;
- b) Demerger of Securities Business Undertaking and the Wealth Business Undertaking from the Company with effect from the Appointed Date i.e. April 01, 2018; and
- c) Transfer of the Broking and Depository Participant Business Undertaking from IIFL Wealth to its wholly owned subsidiary, IIFL Distribution with effect from the Appointed Date April 01, 2018.
- d) Merger of India Infoline Finance with the Company to be given effect after receipt of necessary registration from the RBI.

The Company fixed May 31, 2019 as the Record date for determining the eligibility of the shareholders of the Company for allotting shares of IIFL Securities and IIFL Wealth in the ratio of 1 (One) fully paid up new equity share of Rs. 2 each of IIFL Securities for every 1 (One) equity share of Rs. 2 each of the Company and 1 (One) fully paid up new equity share of Rs. 2 each of IIFL Wealth for every 7 (Seven) equity shares of Rs. 2 each of the Company. Accordingly on June 6, 2019, IIFL Securities and IIFL Wealth allotted 31,92,34,462 & 4,56,04,924 equity shares respectively to eligible shareholders of the Company. IIFL Securities and IIFL Wealth filed their respective Listing Application with Stock exchange(s) and the In principle approval for listing of equity shares of IIFL Securities and IIFL Wealth was received on August 13, 2019 (NSE)



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and August 21, 2019 (BSE) & August 19, 2019 (NSE) and August 21, 2019 (BSE) respectively. Accordingly, the shares of IIFL Wealth and IIFL Securities were listed on Stock Exchanges(s) on September 19, 2019 and September 20, 2019 respectively.

The Company received the Non-banking Financial Company License dated March 06, 2020, bearing Certificate of Registration No. N-13.02386 from the Reserve Bank of India to carry on the Non Banking Financial Activity on March 11, 2020. Thereafter, the Committee of Directors of the Company at its meeting held on March 30, 2020, decided to give effect to the merger of India Infoline Finance and the Company with effect from March 30, 2020 with Appointed Date as April 1, 2018. Accordingly, India Infoline Finance Limited ceased to be subsidiary of the Company.

Consequently, the figures of the quarter and nine months ended December 31, 2019 have been restated to give effect to the aforementioned Composite Scheme of Arrangement.

Consequently, the residual shareholders of India Infoline Finance Limited were allotted 5,86,54,556 shares of the Company on March 30, 2020 in the ratio 135 fully paid up equity shares of Rs. 2 each in the Company for every 100 shares held in India Infoline Finance Limited. The said new shares got listed and admitted for trading w.e.f. April 27, 2020 in terms of final listing and trading approval received from NSE and BSE.

During the year ended March 31, 2020, the Company has granted 82,81,111 Employee Stock Options under IIFL Finance Employee Stock Option Plan 2020 – Merger Scheme pursuant to aforesaid Composite Scheme of Arrangement.

7. The Taxation Laws (Amendment) Ordinance 2019 has inserted section 115BAA in the Income Tax Act, 1961 providing existing domestic companies with an option to pay tax at concessional rate of 22% plus applicable surcharge & cess.

These financial results are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset (net) has been measured at the lower rate, with a one-time charge of Rs 8,748.80 Lakhs to the statement of Profit & Loss during the quarter ended September 30, 2019 and the same has been restated during the quarter ended March 31, 2020 resulting into a gain of Rs. 4,938.05 Lakhs pursuant to the merger of India Infoline Finance Limited with the Company on March 30, 2020 with Appointed Date as April 1, 2018.

8. During the quarter ended December 31, 2020, Board of Directors of the Company at its meeting held on December 18, 2020 approved investment in Right Issue of equity shares of Samasta Microfinance Limited at Rs.15.91/- per share for an amount up to Rs. 6,750.00 Lakhs. The post allotment holding of the Company in Samasta Microfinance Limited is 74.09% and the post



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allotment holding of IIFL Home Finance Limited (Formerly Known as 'India Infoline Housing Finance Limited'), a wholly owned subsidiary of the Company in Samasta Microfinance Limited is 25%.

9. During the period ended December 31, 2020, IIFL Finance Limited has transferred 6,60,61,285 number of fully paid equity shares of Rs.10/- each constituting of 25% equity shares held by the Company in Samsata Microfinance Limited, a subsidiary Company, to IIFL Home Finance Limited (Formerly Known as 'India Infoline Housing Finance Limited'), a Wholly-owned subsidiary Company, at fair value of Rs. 20 per share. The Profit on sale aggregating to Rs. 5,304.96 Lakhs has been disclosed as exceptional item.
10. During the year ended March 31, 2020, India Infoline Finance Limited ("Merged Company"), has transferred its Microfinance Business undertaking with its respective assets and liabilities as a going concern on a slump sale basis, to Samasta Microfinance Limited, a subsidiary Company, w.e.f October 31, 2019. The profit on sale aggregating to Rs. 310.22 Lakhs has been disclosed as exceptional item.
11. During the year ended March 31, 2020, India Infoline Finance Limited ("Merged Company"), has transferred its mortgage loan business undertaking with its respective assets and liabilities as a going concern on a slump sale basis, to IIFL Home Finance Limited (Formerly Known as 'India Infoline Housing Finance Limited'), a Wholly Owned Subsidiary of the Company, w.e.f. June 30, 2019. The profit on sale aggregating to Rs. 150.39 Lakhs has been disclosed as exceptional item.
12. All secured Non-convertible Debentures issued by the Company are secured by First pari passu charge on Future Receivables of the Company, as also against specified Immovable Property of the Company to the extent of at least 100% of outstanding secured Non-Convertible Debentures.
13. The outbreak of COVID 19 pandemic and consequent lockdown has severely impacted business and operations of the Company in the last week of March 2020. In terms of the policy approved by the Board of Directors of the Company pursuant to Reserve Bank of India (RBI) Circulars dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Company has granted EMI moratorium to all eligible customers for a period up to 3 months with regards to the payment falling due between March 01, 2020 and May 31, 2020. On May 22, 2020, the RBI had extended the Moratorium Period by further 3 months with regards to payment falling due between June 01, 2020 and August 31, 2020 (Moratorium 2.0). However Company had decided to grant EMI moratorium to all eligible customers, who have specifically sought the EMI moratorium for the payments falling due between June 01, 2020 and August 31, 2020. Further, in relation to the accounts overdue but standard as at February 29, 2020 where moratorium has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at June 30, 2020 is based on the days past due on February 29, 2020 adjusted for non-moratorium period in case of customers who have not opted for the Moratorium 2.0. Based on the assessment by the Company, this relaxation has not been deemed to be automatically triggering significant increase in credit risk and the company continues to recognize interest income during the moratorium period.



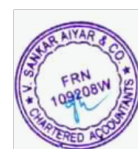
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the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The Company's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. In relation to COVID-19, judgments and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the Standalone Financial Results for the period ended December 31, 2019, the Company has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults and exposure at default. Accordingly, the Company has measured additional impairment loss allowance on loans and other assets and recognised the incremental impairment provision for Rs 14,780.73 lakhs as of December 31, 2020 (March 31, 2020 Rs 21,712.15 lakhs) in the Standalone Financial Results which is adequate in the view of the Company considering the current information available. Overall COVID provision stands at Rs 36,492.88 lakhs (March 31, 2020 Rs 21,712.15 lakhs). In addition, while assessing the liquidity situation, the Company has taken into consideration certain assumptions with respect to repayments of loan assets, sale of loan assets and undrawn committed lines of credit, based on its past experience which have been adjusted for current events. Given the dynamic nature of pandemic situation, the Company's impairment loss allowance estimates are inherently uncertain due to severity and duration of the pandemic and, as a result, actual results may differ from these estimates as on the date of approval of these Standalone Financial Results. The Company will continue to monitor any material changes to the future economic conditions.

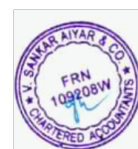
14. Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 03, 2020 ('interim order'), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company has not classified any account as NPA, as per RBI norms, after August 31, 2020 which was not NPA as of August 31, 2020. Further, in light of the interim order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time the Hon'ble Supreme Court rules finally on the matter. If the Company had classified borrower accounts as NPA after August 31, 2020 not considering the Supreme Court order, the proforma Gross NPA ratio and proforma Net NPA ratio would have been 3.53% at December 31, 2020 (at September 30, 2020: 3.64%) and 1.49% at December 31, 2020 (at September 30, 2020: 1.33%) respectively.



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15. The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestion from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified.
16. The Ministry of Finance had released the guidelines of the interest on interest waiver scheme on October 24, 2020 mandating ex-gratia payment to certain categories of borrowers by way of crediting the difference between simple interest and compound interest for the period between March 01, 2020 to August 31, 2020 by respective lending institutions. The Reserve Bank of India (RBI) on October 27, 2020 notified the Centre's scheme for compound interest or interest on interest waiver during the six-month moratorium period. In accordance with the Scheme the Company credited the ex-gratia amount to the credit of the eligible borrowers' accounts and has lodged claim with the Central Government to the tune of Rs. 3,653.28 Lakhs.
17. The Finance Committee of the Board of Directors of the Company at its Meeting held on June 30, 2020, approved the draft shelf prospectus ("DSP") for the issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Redeemable Non-Convertible Debentures to public, within the shelf limit of Rs. 500,000 lakhs. The Company has received an 'in-principle' approval from BSE Limited and National Stock Exchange of India Limited ("NSE") vide their letter dated July 09, 2020 and an extension of validity for three months from NSE vide its letter dated December 28, 2020.
18. The figures for the quarter ended December 31, 2020 and quarter ended December 31, 2019 are the balancing figures between unaudited figures in respect of the nine months ended December 31, 2020 and December 31, 2019 and the unaudited figures of half year ended September 30, 2020 and unaudited figure of half year ended September 30, 2019 respectively. The figures for the quarter ended September 30, 2020 are the balancing figure between unaudited figures in respect of the half year ended September 30, 2020 and the audited figures of the quarter ended June 30, 2020.



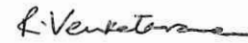
IIFL FINANCE LIMITED
(FORMERLY KNOWN AS IIFL HOLDINGS LIMITED)
CIN : L67100MH1995PLC093797

Regd. Office:- IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Estate, Wagle Estate, Thane – 400604

19. Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period.

In terms of report attached

By order of the Board
For **IIFL Finance Limited**
(Formerly known as IIFL Holdings Limited)



R Venkataraman
Managing Director
DIN: 00011919



Date: January 29, 2021
Place: Mumbai



Tel : 2200 4465, 2206 7440
Fax : 91-22- 2200 0649
E-mail : Mumbai@vsa.co.in
Website : www.vsa.co.in Mumbai – 400 020

V. Sankar Aiyar & Co.

CHARTERED ACCOUNTANTS
2-C, Court Chambers
35, New Marine Lines

Independent Auditor's Review Report on Consolidated Unaudited Quarterly and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE BOARD OF DIRECTORS OF

IIFL Finance Limited (formerly known as IIFL Holdings Limited)

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of IIFL Finance Limited (formerly known as IIFL Holdings Limited) ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and nine months ended December 31, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of the following entities

S No	Name of the Entities	Relationship
1	IIFL Finance Limited	Parent
2	IIFL Home Finance Limited (Formerly, India Infoline Housing Finance Limited)	Subsidiary
3	Samasta Microfinance Limited	Subsidiary
4	Clara Developers Private Limited	Subsidiary (Upto July 26, 2020)
5	Eminent Trust October 2019	Trust with residual beneficial interest
6	Eminent Trust November 2019	Trust with residual beneficial interest

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed



the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

6. We draw attention to Note 9 to the Statement, which fully describes that the Group has recognised impairment on financial assets to reflect the business impact and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our conclusion on the statement is not modified in respect of the above matter.

Other Matters

7. We did not review the interim financial results of 1 subsidiary company included in the consolidated unaudited financial results, whose interim financial results reflects, total revenues of Rs.48,562.50 lakhs and Rs.1,46,295.64 lakhs for the quarter and nine months ended December 31, 2020 respectively, total net profit after tax of Rs. 11,763.43lakhs and Rs.28,488.38 lakhs for the quarter and nine months ended December31 ,2020 respectively and total comprehensive income of Rs 12,390.39 lakhs and Rs.28,525.92 lakhs for the quarter and nine months December 31,2020 respectively as considered in the standalone unaudited interim financial results of the subsidiary company included in the Group. These interim financial results have been reviewed by another auditor whose reports have been furnished to us by the Management and conclusion on the Statement, in so far as it related to the amounts and disclosures included in respect of this subsidiary is based on the report of the other auditor and the procedure performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

The comparative figures presented in Consolidated Financial Results for the corresponding quarter and nine months ended December31, 2019 were reviewed by the predecessor auditor whose review report dated January 27,2020 expressed an unmodified conclusion on those financial information which has been relied upon by us and which have been duly adjusted by the management to give effect to the composite scheme of arrangement as detailed in Note 7 to the consolidated financial results.

The consolidated financial results also include the results for the year ended 31 March 2020 which were audited by the predecessor auditor whose audit report dated May 28, 2020 expressed an unmodified conclusion on those financial results which has been relied upon by us

Our conclusion on the statement is not modified in respect of the above matters.

Place: Mumbai
Date: January 29, 2021



For V. Sankar Aiyar & Co.,
Chartered Accountants
(FRN. 109208W)

G Sankar

G Sankar
Partner
(Membership No. 046050)
UDIN: 21046050AAAABA1206

IFL Finance Limited (Formerly Known as IFL Holdings Limited) CIN: L67100MH1995PLC093737 Regd. Office - IFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Estate, Wagle Estate, Thane - 400604 STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020							
(Rs in Lakhs)							
Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		Unaudited (See note 15)	Unaudited (See note 15)	Unaudited (See note 7 & 16)	Unaudited	Unaudited (See note 7)	Audited
1	Income						
(i)	Revenue from operations						
(ii)	Interest income	1,35,385.23	1,34,993.54	1,11,519.61	3,95,243.54	3,36,376.80	4,51,765.70
(iii)	Dividend income	575.00	-	70.00	593.99	109.01	109.01
(iv)	Fees and commission income	3,195.20	3,310.75	2,477.73	7,910.88	8,598.27	11,850.58
(v)	Net gain on fair value changes	6,033.53	4,194.22	-	10,770.61	-	-
(vi)	Net gain on derecognition of financial instruments under amortised cost category	3,671.89	4,072.01	2,124.92	9,594.53	8,720.97	10,583.87
(vii)	Total Revenue from operations	1,48,860.95	1,46,570.52	1,16,192.26	4,24,113.45	3,53,807.05	4,84,309.16
(viii)	Other income	4,166.20	4,905.86	1,916.06	9,949.50	4,588.28	8,180.52
(ix)	Total Income (I+II)	1,53,027.21	1,51,476.38	1,18,108.32	4,34,062.95	3,58,395.33	4,92,489.68
2	Expenses						
(i)	Finance cost	61,130.25	64,087.60	59,912.65	1,94,508.09	1,79,882.24	2,40,067.68
(ii)	Net loss on fair value changes	-	-	129.01	-	835.18	6,508.61
(iii)	Net loss on derecognition of financial instruments under amortised cost category	25,581.37	2,409.80	7,063.38	38,723.64	39,677.39	44,316.52
(iv)	Impairment on financial instruments	1,135.61	27,805.76	(3,555.09)	45,150.77	(26,843.39)	2,303.90
(v)	Employee benefits expenses	18,013.64	18,215.66	18,016.25	53,353.00	55,796.49	74,609.19
(vi)	Depreciation, amortisation and impairment	2,504.24	2,725.43	2,668.91	7,664.77	7,846.72	10,554.91
(vii)	Other expenses	9,782.08	8,417.43	10,309.33	26,242.56	30,147.83	41,600.24
(viii)	Total Expenses (IV)	1,18,207.19	1,23,661.88	94,544.44	3,65,642.83	2,87,332.46	4,19,971.25
(ix)	Profit before exceptional items and tax (II-IV)	34,820.02	27,866.70	23,663.88	68,420.12	71,060.87	72,518.43
(x)	Exceptional items	-	-	-	-	-	-
(xi)	Profit before tax (V+VI)	34,820.02	27,866.70	23,663.88	68,420.12	71,060.87	72,518.43
3	Tax Expense:						
(i)	Current tax	8,570.00	10,498.33	3,641.36	24,122.94	9,105.07	17,789.87
(ii)	Deferred tax	(597.11)	(4,303.19)	1,900.82	(7,448.21)	7,798.51	(325.91)
(iii)	Current tax expense relating to prior years	-	405.80	(272.71)	446.85	(226.95)	(282.09)
(iv)	Total Tax Expense	7,972.89	6,600.94	5,269.47	17,121.58	16,676.63	17,180.87
(v)	Net profit before impact of rate change on opening deferred tax (VI-VII)	26,847.13	21,265.76	18,294.41	51,298.54	54,384.24	55,337.56
(vi)	Impact of change in the rate of opening deferred tax (Refer note 4)	-	-	-	-	9,928.33	4,990.28
(vii)	Net profit after tax (IX-X)	26,847.13	21,265.76	18,294.41	51,298.54	64,312.57	60,327.84
(viii)	Attributable to:						
(ix)	Owners of the Company	26,833.41	21,250.19	18,246.34	51,248.96	64,308.57	60,182.94
(x)	Non-controlling interest	13.72	8.57	48.07	49.58	147.34	164.34
(xi)	Other Comprehensive Income						
(xii)	A (i) Items that will not be reclassified to profit or loss						
(xiii)	(a) Remeasurement of defined benefit liability/asset	(63.92)	164.40	(68.50)	89.09	(223.52)	(454.24)
(xiv)	(ii) Income tax relating to items that will not be reclassified to profit or loss	16.09	(41.38)	14.72	(22.42)	56.26	114.32
(xv)	Subtotal (A)	(47.83)	123.02	(43.78)	66.67	(167.26)	(339.92)
(xvi)	B (i) Items that will be reclassified to profit or loss						
(xvii)	(a) Cash flow hedge (net)	(4,883.75)	(1,173.32)	635.21	(6,279.38)	(116.05)	(435.78)
(xviii)	(ii) Income tax relating to items that will be reclassified to profit or loss	1,229.14	295.30	(159.87)	1,580.39	29.21	109.88
(xix)	Subtotal (B)	(3,654.61)	(878.02)	475.34	(4,698.97)	(86.84)	(325.90)
(xx)	Other Comprehensive Income / (loss) (A+B)	(3,702.44)	(755.00)	431.56	(4,632.30)	(254.10)	(666.02)
(xxi)	Total Comprehensive Income for the period/year (XI+XII)	23,144.69	20,510.76	18,725.97	46,666.24	64,058.47	59,661.82
(xxii)	Attributable to:						
(xxiii)	Owners of the Company	23,131.58	20,503.83	18,678.07	46,616.81	64,054.98	59,517.66
(xxiv)	Non-controlling interest	13.11	8.93	47.90	49.43	148.83	163.60
(xxv)	Paid up Equity Share Capital (Face value of Rs 2 each)	7,569.39	7,567.91	6,392.94	7,569.39	6,392.94	7,566.82
(xxvi)	Other Equity	-	-	-	-	-	4,86,430.54
(xxvii)	Earnings Per Share (Face value of Rs 2 each)						
(xxviii)	Basic (Rs) *	7.09	5.62	4.83	13.54	11.72	13.27
(xxix)	Diluted (Rs) *	7.09	5.52	4.82	13.54	11.70	13.24
* Quarter ended numbers are not annualised							
In terms of report attached				For IFL Finance Limited (Formerly known as IFL Holdings Limited)			
Date : January 29, 2021 Place : Mumbai				<i>R. Venkataraman</i> R Venkataraman Managing Director DIN: 00011919			

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1. The above consolidated unaudited financial results for the quarter and nine months ended December 31, 2020, have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on January 29, 2021. The Statutory Auditor of the Company has carried out the Limited Review of the aforesaid results and has issued an unmodified report.
2. These consolidated unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued there under and other accounting principles generally accepted in India and in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
3. During the quarter ended December 31, 2020, the Company has allotted 73,942 equity shares (previous quarter: 54,645) having face value of Rs. 2/- each on exercise of stock options under the Employee Stock Option Schemes.
4. The Taxation Laws (Amendment) Ordinance 2019 has inserted section 115BAA in the Income Tax Act, 1961 providing existing domestic companies with an option to pay tax at concessional rate of 22% plus applicable surcharge & cess.

These financial results are prepared on the basis that the parent company and some of its subsidiaries would avail the option to pay income tax at the lower rate. Consequently, wherever applicable, the opening deferred tax asset (net) has been measured at the lower rate, with a one-time charge of Rs 9,928.33 Lakhs to the statement of Profit & Loss during the quarter ended September 30, 2019 and the same has been restated during the quarter ended March 31, 2020 resulting into a gain of Rs. 4,938.05 Lakhs pursuant to the merger of India Infoline Finance Limited with the Company on March 30, 2020 with Appointed Date as April 1, 2018.

5. The Group's main business is Financing and investing activities. All other activities revolve around the main business. Further all activities are carried out within India. As such there are no separate reportable segments as per the Indian Accounting Standard 108 (IND AS) on Operating Segment.
6. The Board of Directors of the Company has declared an interim dividend of Rs 3 /- per equity share of the face value of Rs 2 /- each for the financial year 2020-2021. The Company has fixed February 06, 2021 as the Record Date for this purpose.
7. The Board of Directors of the Company at their meeting held on January 31, 2018, had approved the Composite Scheme of Arrangement amongst India Infoline Finance Limited ("India Infoline Finance"), IIFL Finance Limited (Formerly known as "IIFL Holdings Limited") ("the Company"), India Infoline Media and Research Services Limited ("IIFL M&R"), IIFL Securities Limited ("IIFL Securities"), IIFL Wealth Management Limited ("IIFL Wealth") and IIFL Distribution Services Limited ("IIFL Distribution"), and their respective



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shareholders, under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") which inter-alia, envisages the following:

- i. amalgamation of IIFL M&R with the Company;
- ii. demerger of the Securities Business Undertaking (as defined in the Scheme) of Company into IIFL Securities;
- iii. demerger of the Wealth Business Undertaking (as defined in the Scheme) of Company into IIFL Wealth;
- iv. transfer of the Broking and Depository Participant Business Undertaking (as defined in the Scheme) of IIFL Wealth to its wholly owned subsidiary i.e., IIFL Distribution, on a going-concern basis; and
- v. Amalgamation of India Infoline Finance with the Company.

The Appointed Date for the amalgamation of IIFL M&R with the Company is opening hours of April 01, 2017 and for all the other steps, the Appointed Date is opening hours of April 01, 2018.

The National Company Law Tribunal Bench at Mumbai (Tribunal) approved the Scheme on March 07, 2019 under the applicable provisions of the Companies Act, 2013.

Certified copy of the said order of the Tribunal was received by the Company on March 15, 2019 and filed with the Registrar of Companies on April 11, 2019 for complying with the provisions of Section 232 (5) of the Companies Act, 2013.

Clause 56.2.4 of the Scheme states that Part V of the Scheme dealing with the merger of India Infoline Finance with the Company shall be made effective upon receipt of Non-Banking Finance Company (NBFC) registration by the Company from the Reserve Bank of India (RBI). Pending the receipt of NBFC registration from RBI and based on the legal opinion obtained by the Company, the Board of Directors at its meeting held on May 13, 2019 decided to give effect to the Scheme (except for the part relating to amalgamation of India Infoline Finance with the Company) in the following manner:

- a) Merger of IIFL M&R with the Company with effect from the Appointed Date i.e. April 01, 2017;
- b) Demerger of Securities Business Undertaking and the Wealth Business Undertaking from the Company with effect from the Appointed Date i.e. April 01, 2018; and
- c) Transfer of the Broking and Depository Participant Business Undertaking from IIFL Wealth to its wholly owned subsidiary, IIFL Distribution with effect from the Appointed Date April 01, 2018.
- d) Merger of India Infoline Finance with the Company to be given effect after receipt of necessary registration from the RBI.



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The Company fixed May 31, 2019 as the Record date for determining the eligibility of the shareholders of the Company for allotting shares of IIFL Securities and IIFL Wealth in the ratio of 1 (One) fully paid up new equity share of Rs. 2 each of IIFL Securities for every 1 (One) equity share of Rs. 2 each of the Company and 1 (One) fully paid up new equity share of Rs. 2 each of IIFL Wealth for every 7 (Seven) equity shares of Rs. 2 each of the Company. Accordingly on June 6, 2019, IIFL Securities and IIFL Wealth allotted 31,92,34,462 & 4,56,04,924 equity shares respectively to eligible shareholders of the Company. IIFL Securities and IIFL Wealth had filed their respective Listing Application with Stock exchange(s) and the In principle approval for listing of equity shares of IIFL Securities and IIFL Wealth was received on August 13, 2019 (NSE) and August 21, 2019 (BSE) & August 19, 2019 (NSE) and August 21, 2019 (BSE) respectively. Accordingly, the shares of IIFL Wealth and IIFL Securities were listed on Stock Exchanges(s) on September 19, 2019 and September 20, 2019 respectively.

The Company received the Non-banking Financial Company License dated March 06, 2020, bearing Certificate of Registration No. N-13.02386 from the Reserve Bank of India to carry on the Non Banking Financial Activity on March 11, 2020. Thereafter, the Committee of Directors of the Company at its meeting held on March 30, 2020, decided to give effect to the merger of India Infoline Finance and the Company with effect from March 30, 2020 with Appointed Date as April 1, 2018. Accordingly, India Infoline Finance Limited ceased to be subsidiary of the Company.

Consequently, the figures of the quarter and nine months ended December 31, 2019 have been restated to give effect to the aforementioned Composite Scheme of Arrangement.

Consequently, the residual shareholders of India Infoline Finance Limited were allotted 5,86,54,556 shares of the Company on March 30, 2020 in the ratio 135 fully paid up equity shares of Rs. 2 each in the Company for every 100 shares held in India Infoline Finance Limited. The said new shares got listed and admitted for trading w.e.f. April 27, 2020 in terms of final listing and trading approval received from NSE and BSE.

During the year ended March 31, 2020, the Company has granted 82,81,111 Employee Stock Options under IIFL Finance Employee Stock Option Plan 2020 – Merger Scheme pursuant to aforesaid Composite Scheme of Arrangement.

8. All secured Non-convertible Debentures issued by the Company are secured by First pari passu charge on Future Receivables of the company, as also against specified Immovable Property of the Company to the extent of at least 100% of outstanding secured Non-Convertible Debentures.



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9. The outbreak of COVID 19 pandemic and consequent lockdown has severely impacted business and operations of the Group in the last week of March 2020. In terms of the policy approved by the Board of Directors of the Group pursuant to Reserve Bank of India (RBI) Circulars dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Group has granted EMI moratorium to all eligible customers for a period up to 3 months with regards to the payment falling due between March 01, 2020 and May 31, 2020. On May 22, 2020, the RBI had extended the Moratorium Period by further 3 months with regards to payment falling due between June 01, 2020 and August 31, 2020 (Moratorium 2.0). However Group had decided to grant EMI moratorium to all eligible customers, who have specifically sought the EMI moratorium for the payments falling due between June 01, 2020 and August 31, 2020. Further, in relation to the accounts overdue but standard as at February 29, 2020 where moratorium benefit has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at June 30, 2020 is based on the days past due status as on February 29, 2020 adjusted for non-moratorium period in case of customers who have not opted for the Moratorium 2.0. Based on an assessment by the Group, this relaxation has not been deemed to be automatically triggering significant increase in credit risk. The Group continues to recognize interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The Group's assessment of impairment loss allowance on its loans and other assets is subject to a number of management judgments and estimates. In relation to COVID-19, judgments and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy. While the methodologies and assumptions applied in the determination of the impairment loss allowance calculations remained unchanged from those applied while preparing the Consolidated Financial Results for the period ended December 31, 2019, the Group has separately incorporated estimates, assumptions and judgments specific to the impact of the COVID-19 pandemic based on indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults and exposure at default. Accordingly, the Group has measured additional impairment loss allowance on loans and other assets and recognised the incremental impairment provision for Rs 32,744.19 lakhs as of December 31, 2020 (March 31, 2020 Rs 28,204.77 lakhs) in the Consolidated Financial Results which is adequate in the view of the Group considering the current information available. Overall COVID provision stands at Rs 60,949.99 lakhs (March 31, 2020 Rs 28,204.77 lakhs). In addition, while assessing the liquidity situation, the Group has taken into consideration certain assumptions with respect to repayments of loan assets, sale of loan assets and undrawn committed lines of credit, based on its past experience which have been adjusted for current events. Given the dynamic nature of pandemic situation, the Group's impairment loss allowance estimates are inherently uncertain due to severity and duration of the pandemic and, as a result, actual results may differ from these estimates as on the date of approval of these Consolidated Financial Results. The Group will continue to monitor any material changes to the future economic conditions.



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10. Hon'ble Supreme Court, in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 03, 2020 ('interim order'), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the group has not classified any account as NPA, as per RBI norms, after August 31, 2020 which was not NPA as of August 31, 2020. Further, in light of the interim order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time the Hon'ble Supreme Court rules finally on the matter. If the group had classified borrower accounts as NPA after August 31, 2020 not considering the supreme court order, the proforma Gross NPA ratio and proforma Net NPA ratio would have been 2.87% at December 31, 2020 (at September 30, 2020: 2.77%) and 1.46% at December 31, 2020 (at September 30, 2020: 1.29%) respectively.
11. The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestion from stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified.
12. The Ministry of Finance had released the guidelines of the interest on interest waiver scheme on October 24, 2020 mandating ex-gratia payment to certain categories of borrowers by way of crediting the difference between simple interest and compound interest for the period between March 01, 2020 to August 31, 2020 by respective lending institutions. The Reserve Bank of India (RBI) on October 27, 2020 notified the Centre's scheme for compound interest or interest on interest waiver during the six-month moratorium period. In accordance with the Scheme the group credited the ex-gratia amount to the credit of the eligible borrowers' accounts and has lodged claim with the Central Government to the tune of Rs. 5,273.11 Lakhs.
13. The Finance Committee of the Board of Directors of the Company at its Meeting held on June 30, 2020, approved the draft shelf prospectus ("DSP") for the issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Redeemable Non-Convertible Debentures to public, within the shelf limit of Rs. 500,000 lakhs. The Company has received an 'in-principle' approval from BSE Limited and National Stock Exchange of India Limited ("NSE") vide their letter dated July 09, 2020 and an extension of validity for three months from NSE vide its letter dated December 28, 2020.



11

IIFL FINANCE LIMITED
(FORMERLY KNOWN AS IIFL HOLDINGS LIMITED)
CIN : L67100MH1995PLC093797

Regd. Office:- IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Estate, Wagle Estate, Thane – 400604

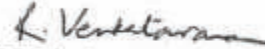
14. During the quarter ended December 31, 2020, Board of Directors of the Company at its meeting held on December 18, 2020 approved investment in Right Issue of equity shares of Samasta Microfinance Limited, a Subsidiary of the Company at Rs.15.91/- per share for an amount up to Rs. 6,750.00 Lakhs. The post allotment holding of the Company in Samasta Microfinance Limited is 74.09% and the post allotment holding of IIFL Home Finance Limited (Formerly Known as 'India Infoline Housing Finance Limited'), a wholly owned subsidiary of the Company in Samasta Microfinance Limited is 25%.
15. The figures for the quarter ended December 31, 2020 and quarter ended December 31, 2019 are the balancing figures between unaudited figures in respect of the nine months ended December 31, 2020 and December 31, 2019 and the unaudited figures of half year ended September 30, 2020 and unaudited figures of half year ended September 30, 2019 respectively. The figures for the quarter ended September 30, 2020 are the balancing figure between unaudited figures in respect of the half year ended September 30, 2020 and the audited figures of the quarter ended June 30, 2020.
16. Previous period/year figures have been regrouped/ reclassified to make them comparable with those of current period.

In terms of report attached



Date: January 29, 2021
Place: Mumbai

By order of the Board
For IIFL Finance Limited
(Formerly known as IIFL Holdings Limited)


R Venkataraman
Managing Director
DIN: 00011919

