

# Performance Review

For the quarter, October – December 2016 (Q3FY17)

## IIFL Holdings Limited

Bloomberg: IIFL IN

KNOWLEDGE IS THE EDGE



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

January 25, 2017

## **I: IIFL Group Performance Overview**

**4**

### **(i) Non-banking and Housing Finance**

**10**

### **(ii) Wealth and Asset Management**

**21**

### **(iii) Capital Markets**

**26**

## **II: Ownership, Management and Governance**

**31**

## **III: Corporate Social Responsibility**

**39**

## I: IIFL Group Performance Overview

(i) Non-banking and Housing Finance

(ii) Wealth and Asset Management

(iii) Capital Markets

II: Ownership, Management and Governance

III: Corporate Social Responsibility

# IIFL Group – Quarterly performance highlights

Quarter ended December 2016



	Income	Net profit	Key Figures	Reach
<b>IIFL Group</b>	<b>₹746 Cr</b> up <b>34%</b> y-o-y	<b>₹222 Cr</b> Up <b>62%</b> y-o-y	<b>ROE – 19.6%</b> 18.9% Q3FY16	<b>3.5 million</b> customers <b>300</b> global funds
	Interim dividend <b>₹4.5</b> per share; <b>225%</b> of face value	EPS (annualized) <b>₹22.6</b>	Book Value <b>₹137</b> per share	
<b>NBFC</b>	<b>₹351 Cr</b> up <b>22%</b> y-o-y	<b>₹112 Cr</b> Up <b>25%</b> y-o-y	Loan AUM <b>₹21,090 Cr</b> Up 15% y-o-y	<b>948</b> branches
<b>Wealth</b>	<b>₹215 Cr</b> Up <b>38%</b> y-o-y	<b>₹65 Cr</b> Up <b>45%</b> y-o-y	Wealth AUM <b>₹106,999 Cr</b> Up <b>22%</b> y-o-y	<b>10,000+</b> families
<b>Capital Market/ Others</b>	<b>₹179 Cr</b> Up <b>60%</b> y-o-y	<b>₹45 Cr</b> Up <b>14x</b>	IIFL Markets App <b>800,000+</b> Android downloads	<b>2,250</b> service locations Global offices in <b>7</b> countries

Note – (i) Income is net of interest expense (ii) Net profit is pre-minority (iii) ROE and EPS for quarter ended December 31, 2016 is annualized.

# IIFL Group – Consolidated results

Quarter/ Nine-month ended December 2016



## Quarterly Trend

₹ Cr	Q3FY17	Q3FY16	Y-o-Y	Q2FY17	Q-o-Q
Fund based activities	943.8	682.0	38%	908.8	4%
Financial products distribution	166.2	182.3	(9%)	165.2	1%
Capital market activities	160.5	117.6	36%	140.2	14%
Other income	3.2	2.7	19%	1.9	68%
<b>Total Income</b>	<b>1,273.7</b>	<b>984.6</b>	<b>29%</b>	<b>1,216.1</b>	<b>5%</b>
Employee cost	95.3	64.8	47%	79.5	20%
Administration and other cost	197.4	175.2	13%	181.5	9%
Operating cost	111.2	99.5	12%	95.3	17%
Total expenses	403.9	339.5	19%	356.3	13%
<b>EBITDA</b>	<b>869.8</b>	<b>645.1</b>	<b>35%</b>	<b>859.8</b>	<b>1%</b>
Interest costs	527.9	429.0	23%	549.3	(4%)
Depreciation and amortization	13.0	16.9	(23%)	13.1	(1%)
<b>Profit before tax</b>	<b>328.9</b>	<b>199.2</b>	<b>65%</b>	<b>297.4</b>	<b>11%</b>
Provision for taxation	106.6	62.0	72%	90.2	18%
<b>Net Profit (pre minority)</b>	<b>222.3</b>	<b>137.2</b>	<b>62%</b>	<b>207.2</b>	<b>7%</b>
Minority interest	43.2	10.5	311%	24.1	79%
<b>Net Profit (post minority)</b>	<b>179.1</b>	<b>126.7</b>	<b>41%</b>	<b>183.1</b>	<b>(2%)</b>

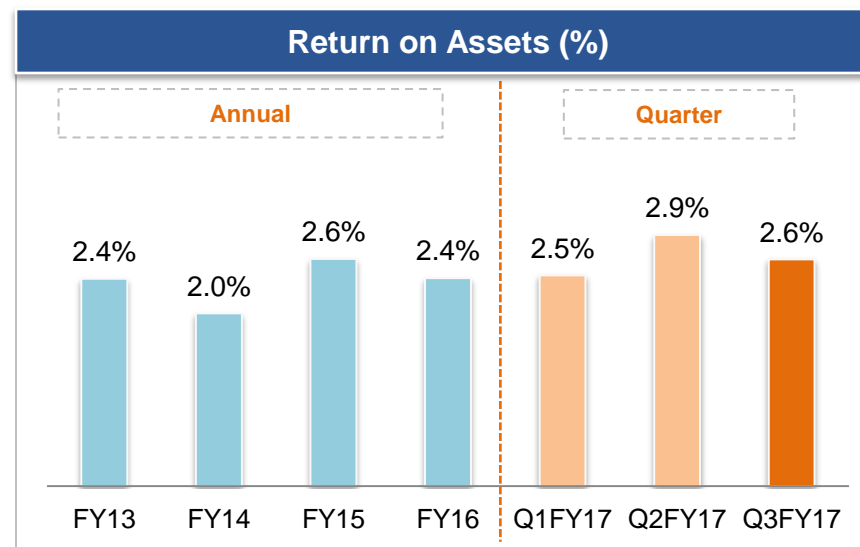
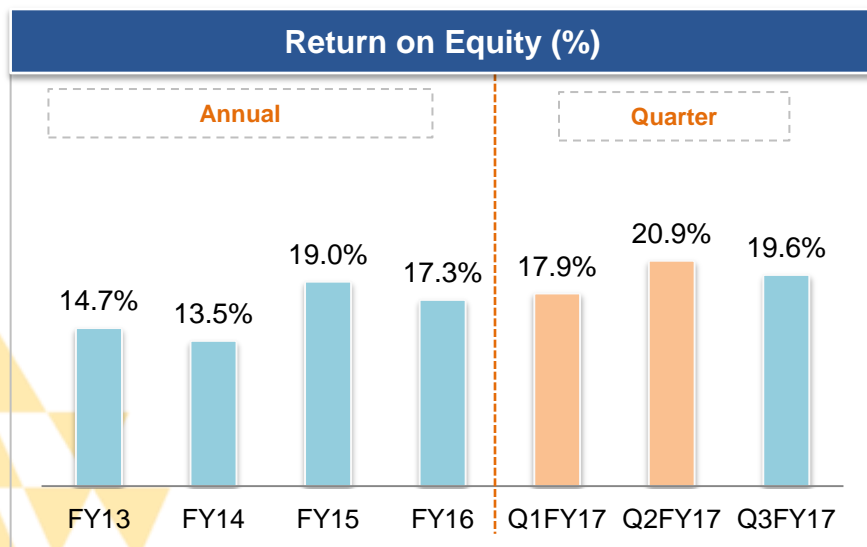
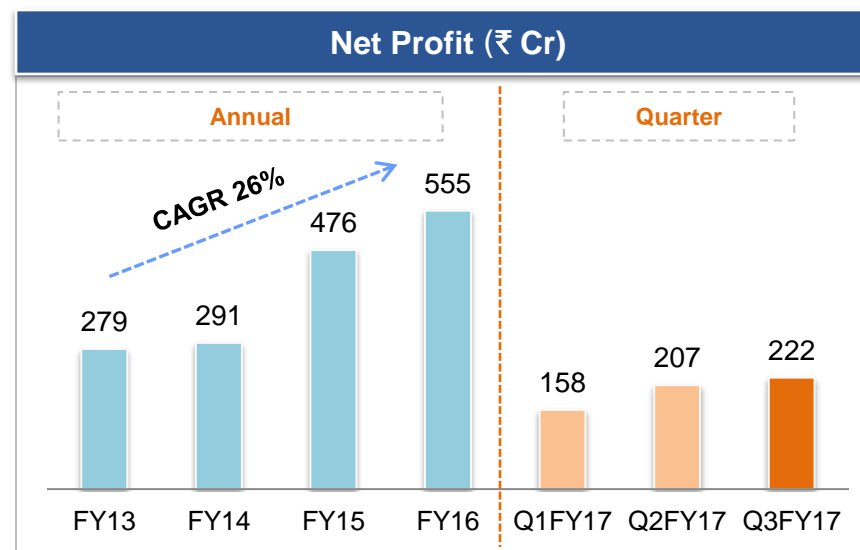
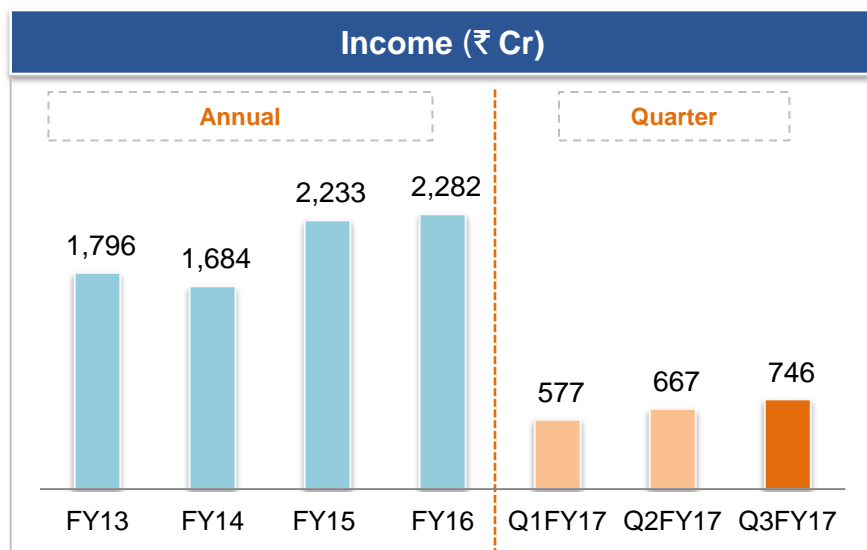
## Nine-month Trend

9MFY17	9MFY16	Y-o-Y
2,610.3	1,974.2	32%
484.8	491.6	(1%)
416.3	389.3	7%
8.9	7.3	22%
<b>3,520.3</b>	<b>2,862.4</b>	<b>23%</b>
246.8	172.3	43%
557.9	511.0	9%
284.0	296.6	(4%)
1,088.7	979.9	11%
<b>2,431.6</b>	<b>1,882.5</b>	<b>29%</b>
1,531.1	1,229.4	25%
39.6	49.8	(21%)
<b>860.9</b>	<b>603.3</b>	<b>43%</b>
273.3	198.5	38%
<b>587.6</b>	<b>404.8</b>	<b>45%</b>
87.9	30.1	192%
<b>499.7</b>	<b>374.7</b>	<b>33%</b>

Note - Previous periods figures have been regrouped / rearranged wherever necessary.

# IIFL Group – Consolidated results trend

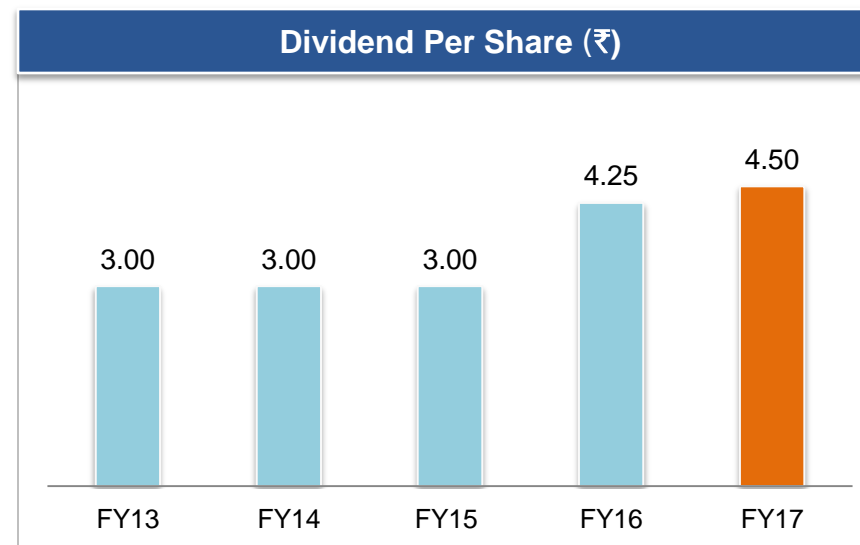
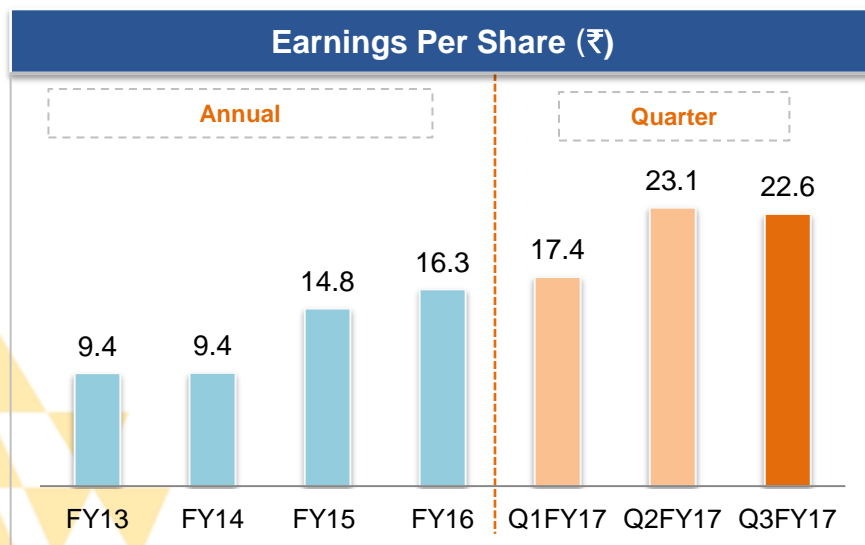
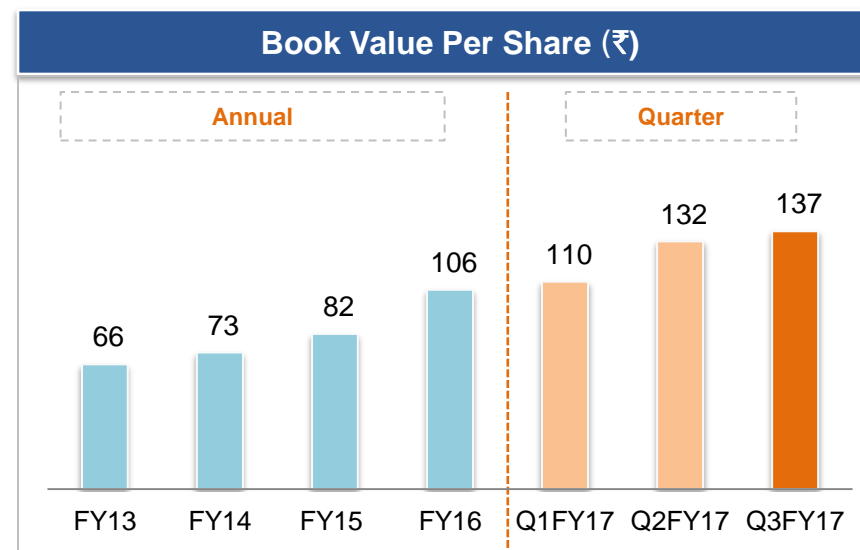
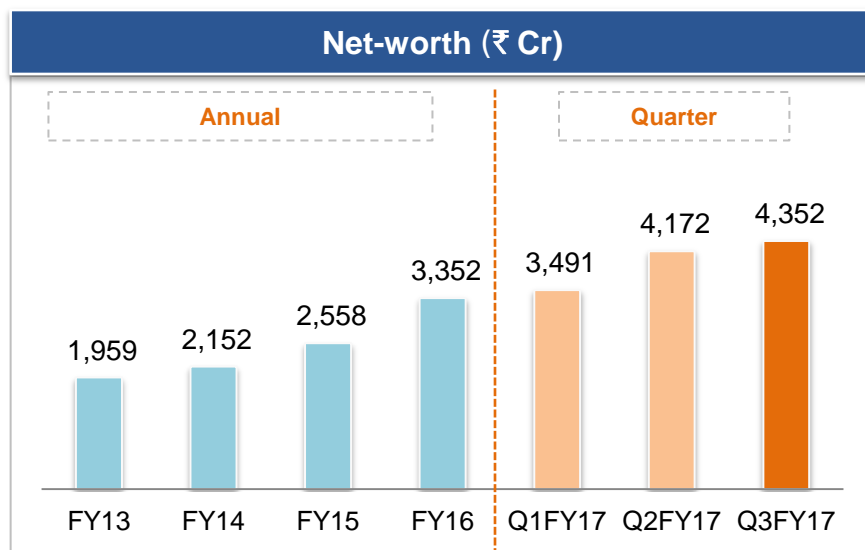
Quarter ended December 2016



Note – Net profit is pre-minority. Income is net of interest expense. Quarterly ROA and ROE are annualized.

# IIFL Group – Consolidated results trend

Quarter ended December 2016



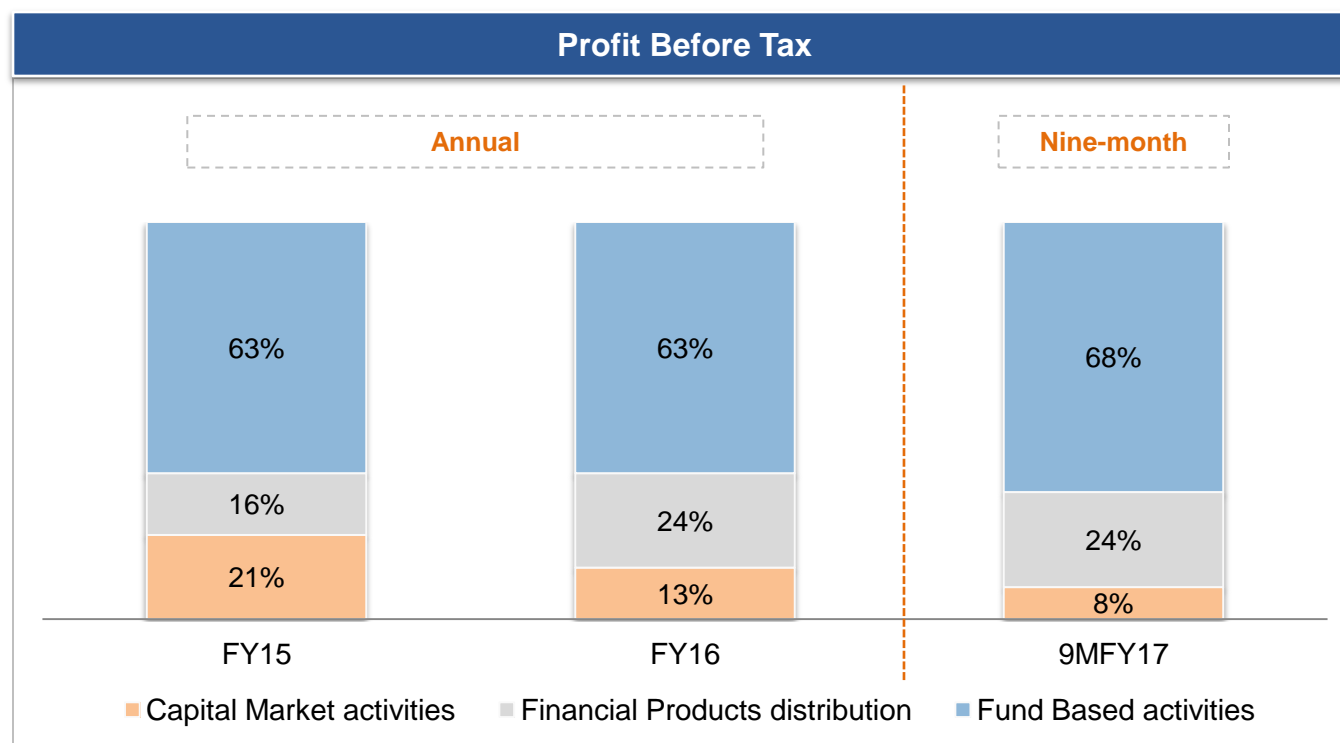
Note – Quarterly EPS is annualized. Interim dividend for FY17

# IIFL Group – Segmental profit before tax

Quarter ended December 2016



- All three of our core businesses witnessed healthy growth in profits
- The contribution of capital markets business in overall profit pie has fallen over the years, as other businesses have gained critical size and grown faster



PBT (₹ Cr)	FY15	FY16	9MFY17
Fund Based activities	456	533	585
Financial Products distribution	112	200	205
Capital Market activities	152	109	69
Other Income	4	(0.3)	2
<b>Total</b>	<b>724</b>	<b>842</b>	<b>861</b>

Note - Chart is rebased to exclude other income



## I: IIFL Group Performance Overview

### **(i) Non-banking and Housing Finance**

### (ii) Wealth and Asset Management

### (iii) Capital Markets

## II: Ownership, Management and Governance

## III: Corporate Social Responsibility

# India Infoline Finance – Consolidated results

Quarter ended December 2016



## Quarterly Trend

## Nine-month Trend

₹ Cr	Q3FY17	Q3FY16	Y-o-Y	Q2FY17	Q-o-Q	9MFY17	9MFY16	Y-o-Y
Loan book	18,943.0	17,266.4	10%	18,458.9	3%	18,943.0	17,266.4	10%
Securitised assets	2,146.6	1,132.2	90%	2,014.8	7%	2,146.6	1,132.2	90%
<b>Assets under management</b>	<b>21,089.5</b>	<b>18,398.6</b>	<b>15%</b>	<b>20,473.7</b>	<b>3%</b>	<b>21,089.5</b>	<b>18,398.6</b>	<b>15%</b>
Interest income	759.2	663.5	14%	760.8	0%	2,215.1	1,900.4	17%
Less: Interest expense	446.6	409.4	9%	465.7	(4%)	1,341.7	1,176.0	14%
Net Interest income	312.6	254.1	23%	295.2	6%	873.4	724.4	21%
Other income	38.1	34.2	11%	37.8	1%	100.1	103.2	-3%
<b>Total income</b>	<b>350.8</b>	<b>288.3</b>	<b>22%</b>	<b>333.0</b>	<b>5%</b>	<b>973.5</b>	<b>827.6</b>	<b>18%</b>
Less: Operating expense	136.4	122.2	12%	135.2	1%	395.4	371.3	6%
Less: Loan losses & provision	43.3	29.6	46%	41.6	4%	114.1	82.8	38%
<b>Profit before tax</b>	<b>171.1</b>	<b>136.5</b>	<b>25%</b>	<b>156.2</b>	<b>10%</b>	<b>464.0</b>	<b>373.5</b>	<b>24%</b>
<b>Profit after tax</b>	<b>111.7</b>	<b>89.1</b>	<b>25%</b>	<b>102.0</b>	<b>10%</b>	<b>302.7</b>	<b>243.7</b>	<b>24%</b>

# Adequately capitalized and well-placed for growth

Quarter ended December 2016



## 1 Significant opportunities for growth

- India is an under penetrated credit market. NBFCs and private sector banks have significant growth opportunities for the next few years

## 3 Well capitalized for next 3 years

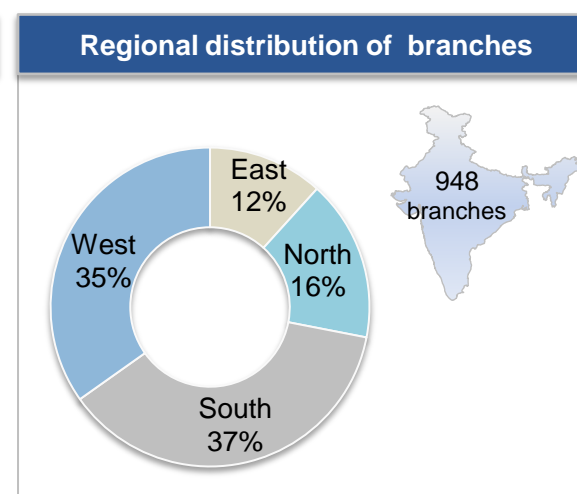
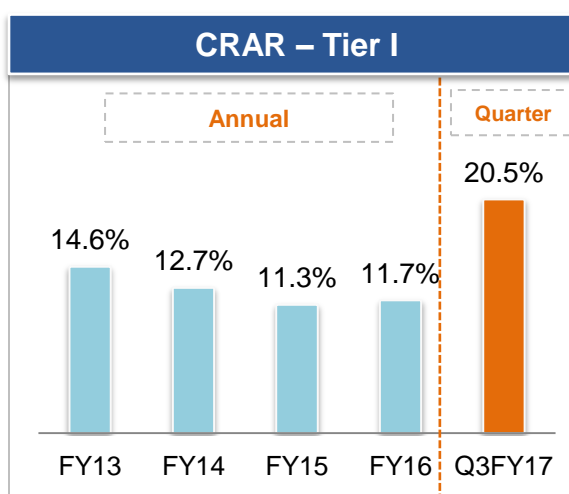
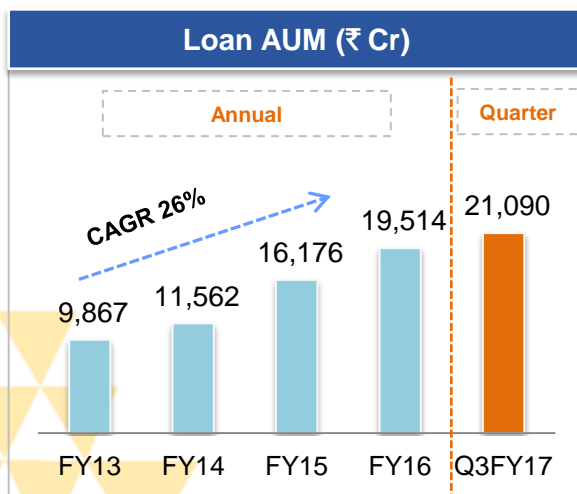
- CDC made an investment of ₹1,005 Cr (US\$ 150 mn) in IIFL Finance in September 2016. IIFL Finance's Tier-I CRAR stands at 20.5% in Q3FY17

## 2 Strong management team in place

- The management team has been strengthened to capture the growth opportunity especially in digital financing, SME lending and housing loans

## 4 Leveraging pan India network of branches

- With a wide network of 948 branches, IIFL Finance is well placed to cater to the retail loan demand across India



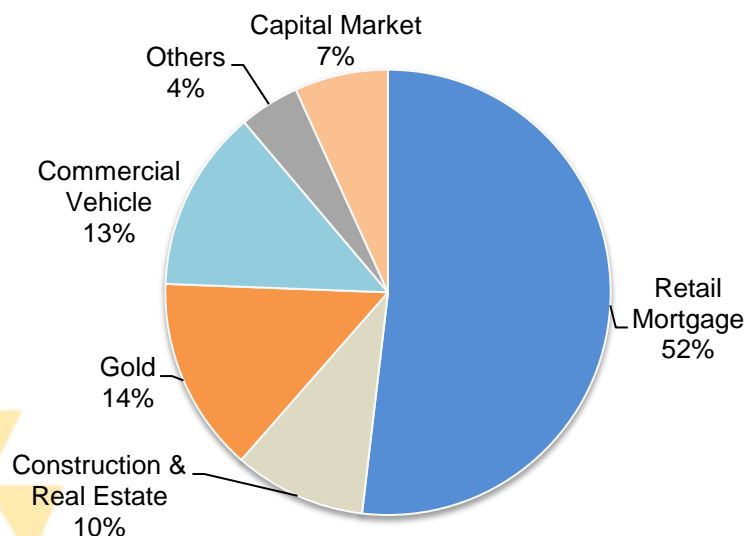
# Achieving volume growth with superior asset mix

Quarter ended December 2016



- Key growth drivers are low risk retail home loans, CV loans and small ticket SME loans
- There has been marginal increase in large mortgage loans this quarter but the overall share has fallen
- The share of Gold and Capital market loans in the portfolio has declined to 14% and 7% respectively

**Q3FY17 Share (%)**



Loan AUM (in Cr)	Q3FY17	Q2FY17	Q3FY16
Retail Mortgage	10,938	10,337	7,147
Construction & Real Estate	2,020	1,769	2,422
Gold	2,986	3,129	2,733
Commercial Vehicle	2,790	2,678	1,950
MSME Loans	923	879	621
Capital Market	1,432	1,681	3,526
<b>Total</b>	<b>21,090</b>	<b>20,474</b>	<b>18,399</b>

Loan AUM (%)		Q3FY17	Q2FY17	Q3FY16
Retail Mortgage	↑	52%	50%	39%
Construction & Real Estate	↓	10%	9%	13%
Gold	↓	14%	15%	15%
Commercial Vehicle	↑	13%	13%	11%
MSME Loans	↑	4%	4%	3%
Capital Market	↓	7%	8%	19%
<b>Total</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>

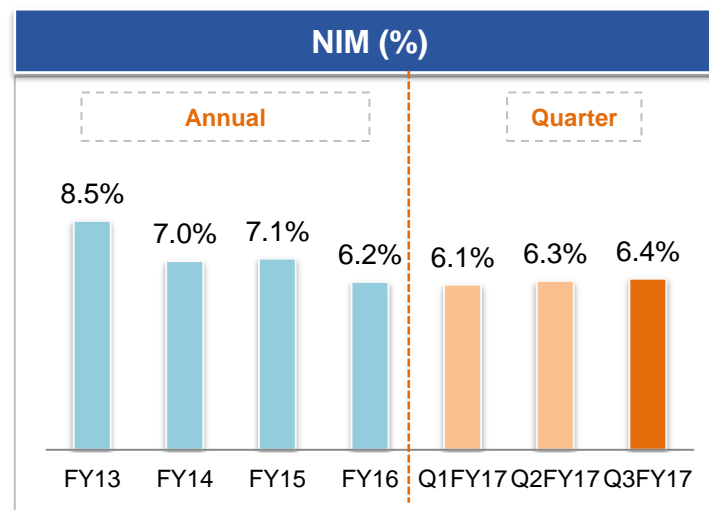
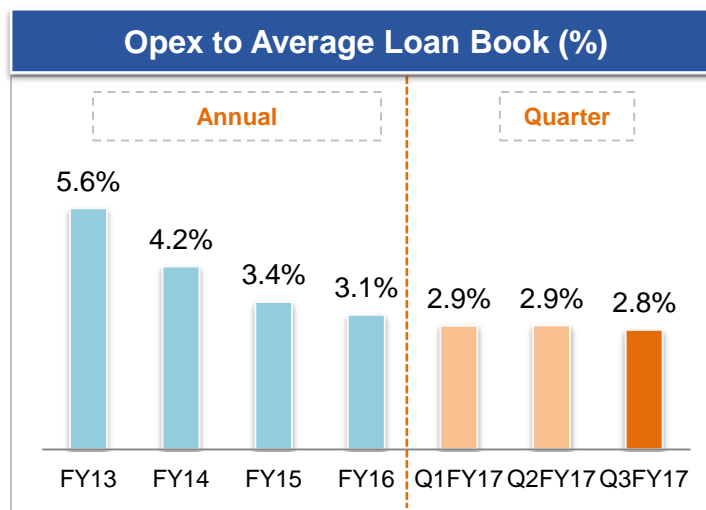
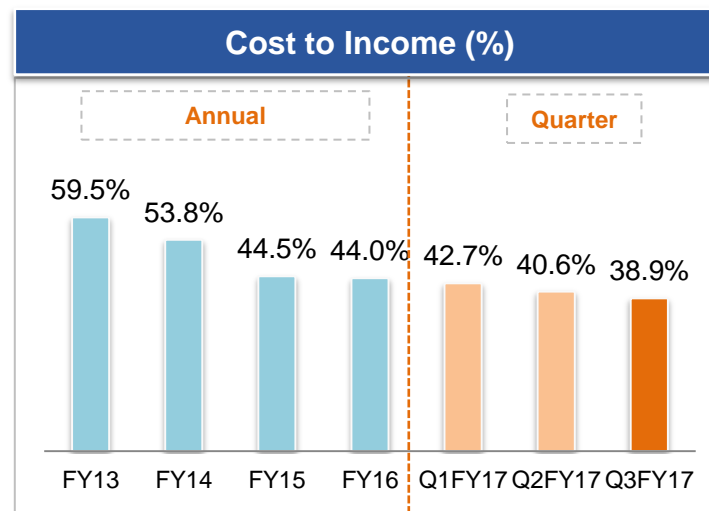
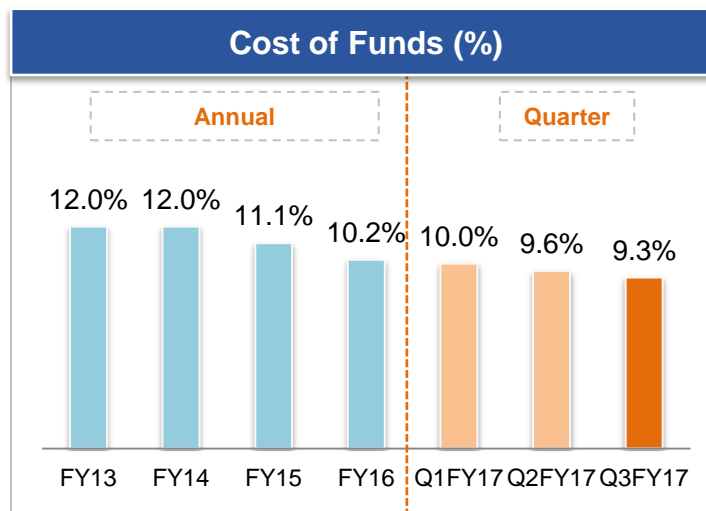
Note – MSME Loans include Healthcare equipment, SME and digital finance. Arrows represent year-on-year trend.

# Funding, operating costs incidence declines; NIMs stabilize

Quarter ended December 2016



- Average borrowing costs declined 30bps q-o-q to 9.3%. Availability and cost of funding have significantly improved in last two months
- Operating cost to fall further with digitization and economies of scale
- NIMs have stabilized; a combined effect of superior asset mix at lower yield, falling funding costs and large capital infusion
- IIFL Finance has long-term credit rating by CRISIL AA/Stable, [ICRA] AA (Stable), CARE AA, Brickworks AA+/Stable and short-term rating by [ICRA] A1+

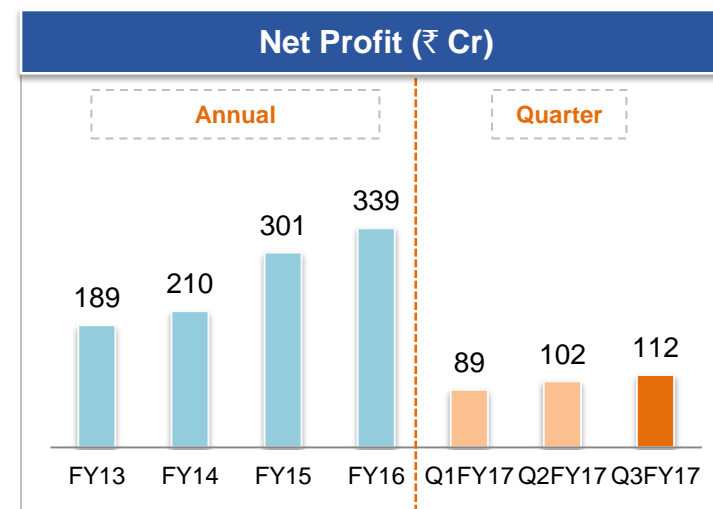
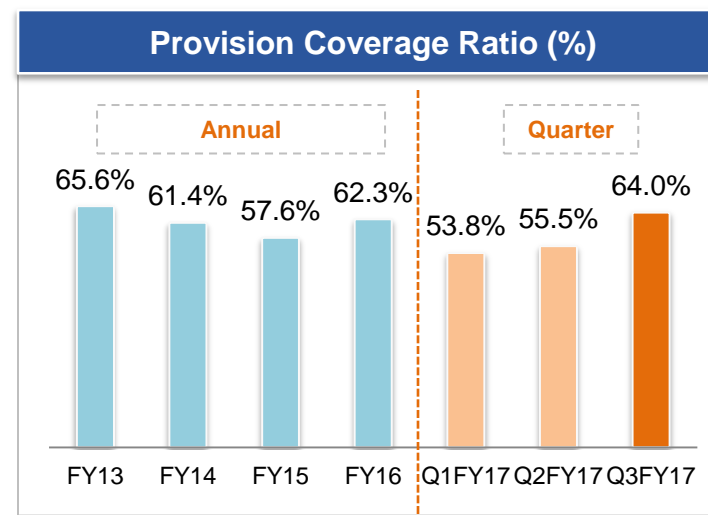
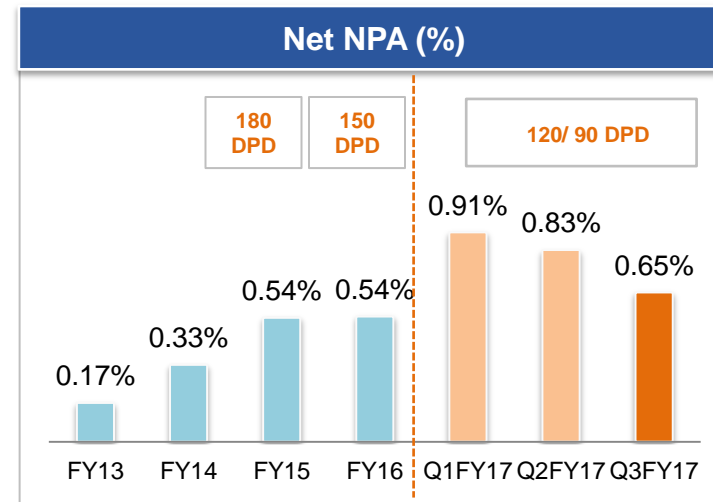
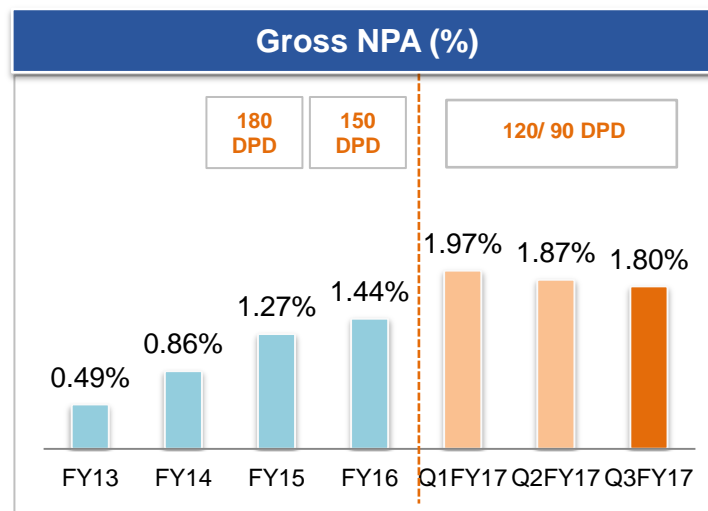


# Through cycles, maintaining superior quality of assets

Quarter ended December 2016



- Securitised loan book currently stands at 10% of AUM, up from 6% in same quarter last year. Significant opportunity for securitisation will positively impact profitability and CAR
- Asset quality remains sound with GNPA of 1.8% and NNPA of 0.65%, both declining on q-o-q basis.
- Total provision coverage (including standard asset provision) stands at 88% of Gross NPAs
- The company continues to invest in people, process and technology platforms

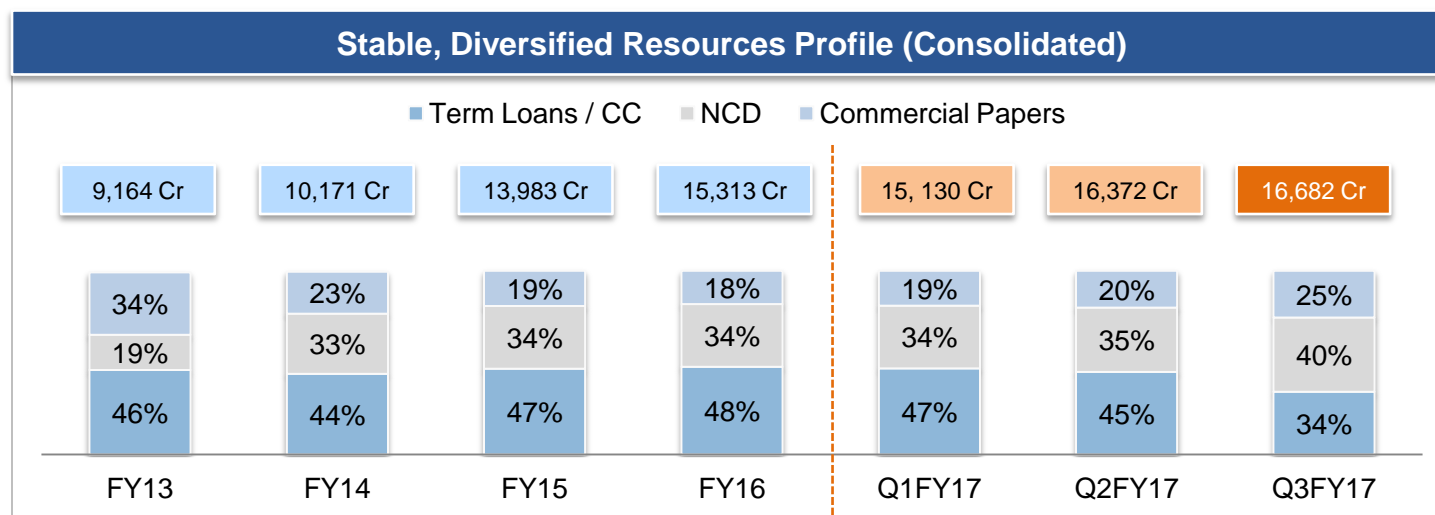
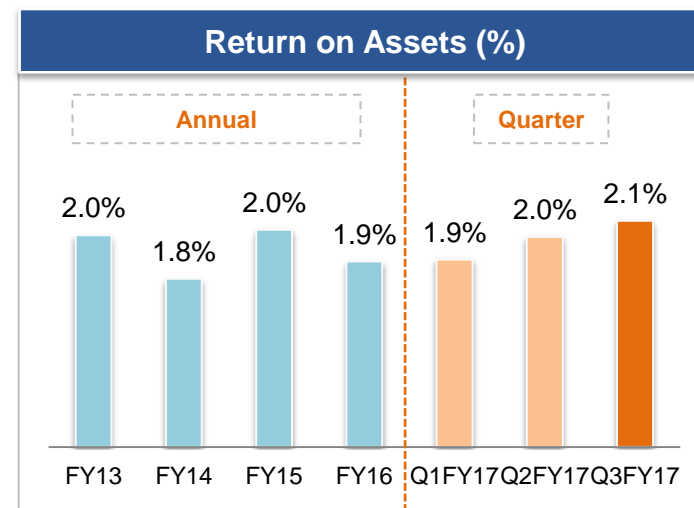
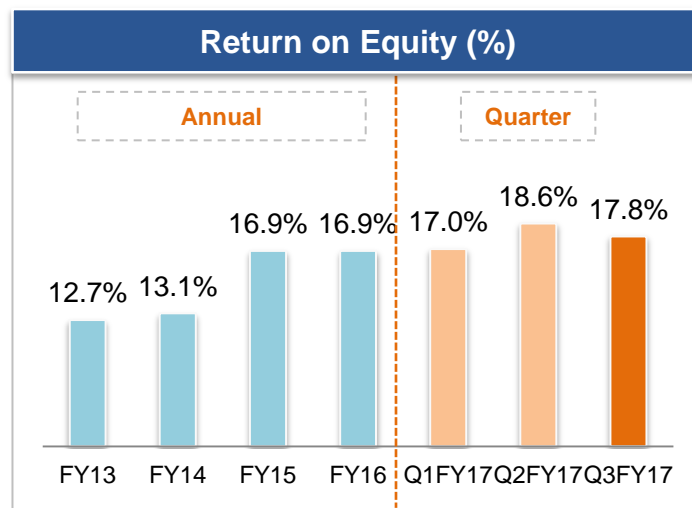


# Improving NBFC profitability and return ratios

Quarter ended December 2016



- Steadily improving return ratios\* with ROE of 17.8% and ROA of 2.1%
- Well diversified borrowing mix including from banks, mutual funds, insurance companies and public
- Ample liquidity in the system. Bank term loan rates dropped sharply during the quarter. Banks are eager to lend and buy securitized assets from us, given their risk averseness and low credit offtake



Note – Collateralized Borrowing and Lending Obligation (CBLO) against government securities is excluded in Borrowing profile. \*Figures are annualized.

# Digitizing end-to-end processes in our lending business



On-boarding

Appraisal

Disbursement

Service

Collection



Gold Loan TAB



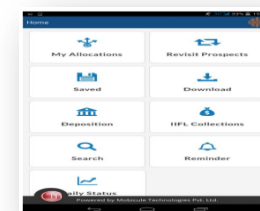
Instant Approval



Instant Disbursement



Online Self service Portal



Tab based collections



Commercial Vehicle and SME TAB



Electronic KYC



Card based disbursement



Mobile App



Online/ Mobile Payment



Online Application



Instant Digital Signature



Live Chat





# Product portfolio break-up

Quarter ended December 2016



Q3FY17	% Portfolio share	NNPA %	Yield %	Average ticket size (Lakh)	LTV %
Home Loan	24%	0.32%	10.3%	24	65%
Loan against Property	28%	1.31%	13.9%	95	48%
Construction & Real Estate Finance	10%	0.08%	15.6%	950	32%
Gold Loan	14%	0.00%	19.6%	0.48	63%
Capital Market Finance	7%	0.42%	12.4%	51	67%
Commercial Vehicle Finance	13%	1.38%	15.3%	8	75%
MSME Loan	4%	1.76%	15.0%	75	54%
<b>Total</b>	<b>100%</b>	<b>0.65%</b>	<b>15.5%</b>	<b>-</b>	<b>-</b>

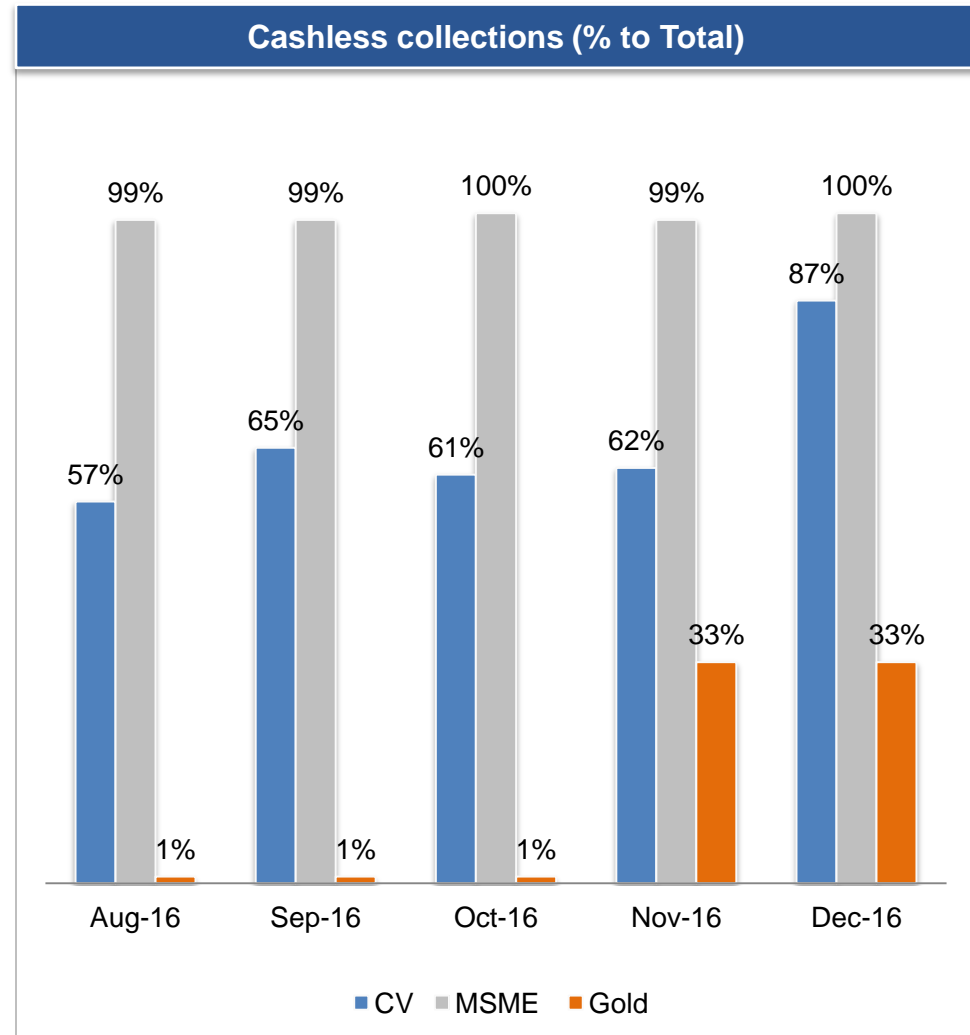
Note – MSME Loans include Healthcare equipment, SME and digital finance

# Demonetization – How it has impacted IIFL NBFC

Quarter ended December 2016



- Slowdown in economic activity has impacted product demand; business momentum moderated during Nov and Dec 2016
- Disbursal was down by 20-30% in home loan, construction finance, MSME, gold and CV loans
- Collection efficiency stable across home loan, LAP, construction finance, MSME loans and slightly lower in gold and CV loans
- On the positive side, there has been surge in payments across cashless modes
- Cashless collection as % of total collection for Gold and CV has increased during the quarter
- Number of mobile banking and website users show sharp increase in Nov-Dec 2016



# Product-wise impact of RBI relaxation on NPA recognition

Quarter ended December 2016



- Total loan amount, not recognised as NPA under RBI dispensation, was ₹43.4cr, 66% of which was for CV loans
- While we did not recognise them as NPAs, we have gone ahead and actively provided on them.
- Consequently our reported NNPA fell by 18bps q-o-q to 0.65%.

Reported GNPA's are lower due to RBI relaxation	₹ Cr
Retail Mortgage Loans	9.3
Construction & Real Estate Finance	-
Commercial Vehicle	28.7
Gold Loans	4.8
Capital Market Finance	-
MSME Loans	0.5
<b>Total</b>	<b>43.4</b>

*In view of Government of India's demonetization move on November 8, 2016, the RBI, as per its notification dated November 21, 2016, decided to provide an additional 60 days beyond what is applicable for the concerned regulated entity for recognition of a loan account as substandard in the case of small borrowers*

## I: IIFL Group Performance Overview

(i) Non-banking and Housing Finance

**(ii) Wealth and Asset Management**

(iii) Capital Markets

## II: Ownership, Management and Governance

## III: Corporate Social Responsibility

# IIFL Wealth Management – Consolidated results

Quarter ended December 2016



## Quarterly Trend

## Nine-month Trend

₹ Cr	Q3FY17	Q3FY16	Y-o-Y	Q2FY17	Q-o-Q	9MFY17	9MFY16	Y-o-Y
<b>Total Assets</b>	<b>106,999.0</b>	<b>87,970.0</b>	<b>22%</b>	<b>100,396.0</b>	<b>7%</b>	<b>106,999.0</b>	<b>87,970.0</b>	<b>22%</b>
Income from operations	266.8	145.8	83%	249.6	7%	690.8	385.8	79%
Other income	15.7	14.0	12%	5.1	205%	24.0	29.9	(20%)
<b>Total Income</b>	<b>282.5</b>	<b>159.8</b>	<b>77%</b>	<b>254.7</b>	<b>11%</b>	<b>714.8</b>	<b>415.7</b>	<b>72%</b>
Employee cost	69.8	44.8	56%	64.1	9%	187.8	117.6	60%
Admin and other expenses	49.7	53.2	(6%)	41.2	21%	127.4	111.0	15%
Total expenses	119.5	97.9	22%	105.3	14%	315.2	228.6	38%
<b>EBITDA</b>	<b>163.0</b>	<b>61.9</b>	<b>164%</b>	<b>149.4</b>	<b>9%</b>	<b>399.6</b>	<b>187.1</b>	<b>113%</b>
Interest	67.4	4.3	1461%	64.3	5%	143.1	17.2	732%
Depreciation and amortization	2.1	0.8	164%	1.9	12%	5.5	2.3	143%
<b>Profit before tax</b>	<b>93.5</b>	<b>56.7</b>	<b>65%</b>	<b>83.2</b>	<b>12%</b>	<b>251.0</b>	<b>167.6</b>	<b>50%</b>
Provision for taxation	28.3	11.8	140%	26.0	9%	75.9	44.4	71%
<b>Profit after tax</b>	<b>65.2</b>	<b>44.9</b>	<b>45%</b>	<b>57.2</b>	<b>14%</b>	<b>175.1</b>	<b>123.2</b>	<b>42%</b>

# Leading wealth manager in India

Quarter ended December 2016



## FASTEST

Growing Wealth  
Management Firm in India



## US\$ 15 BILLION

Assets under advice,  
distribution and custody

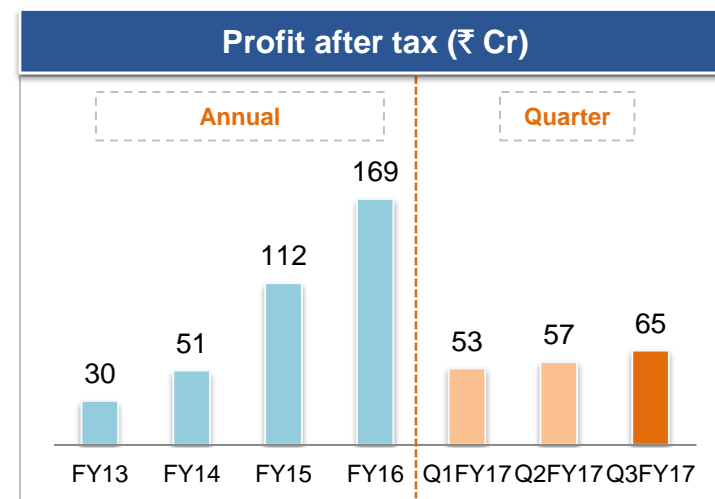
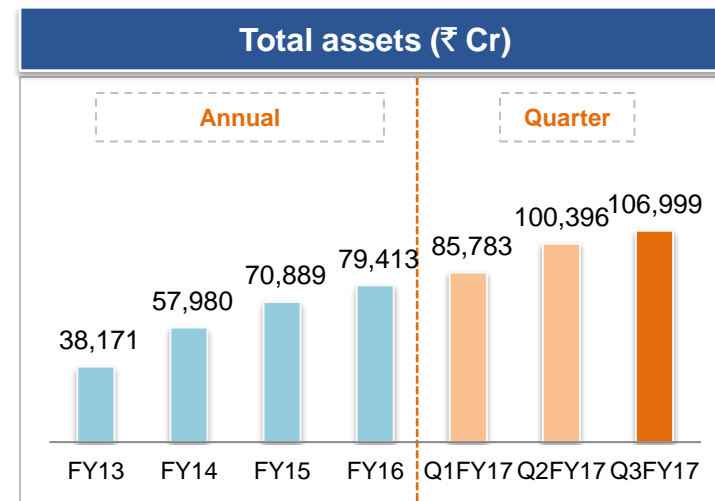


## 22 OFFICES

Presence across 7 Countries  
and Major Indian Cities

- IIFL Wealth Management offers advisory, wealth structuring solutions, asset management, credit solutions, broking and distribution services
- Winner of many prestigious awards in Q3FY17:
  - Best Private Banking Services - Overall by Euro-money Private Banking and Wealth Management Survey, 2017
  - Best Wealth Manager - India Domestic by Asian Private Banker Awards of Distinction, 2016
  - Best Private Bank, India by Global Finance Best Private Bank Awards 2017

## IIFL Wealth Key Financials



Note – Currency Conversion 1 US\$ = ₹68

# Growth opportunity

## Wealth Management in India

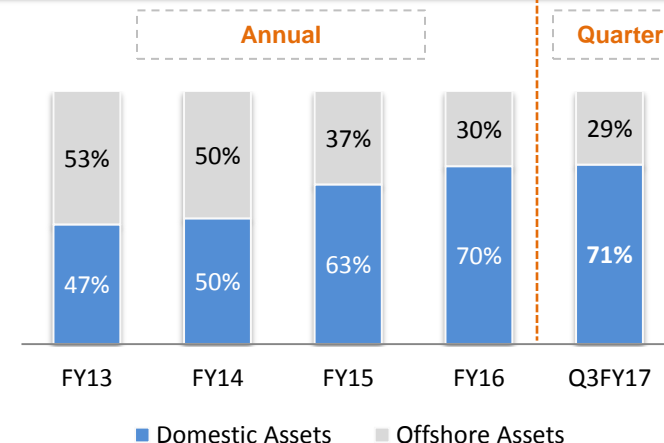
- Growing awareness towards professionally managed wealth. Generational transfer of wealth from 1<sup>st</sup> to 2<sup>nd</sup> generation leading to move from traditional assets
- There are about 137,000 Ultra High Net Worth Households (UHNH) in India with a potential net-worth of US\$ 2.1 tn
- Total AUM of top 10 firms put together is less than US\$100 bn showcasing vast potential for established players

## IIFL Wealth proposition

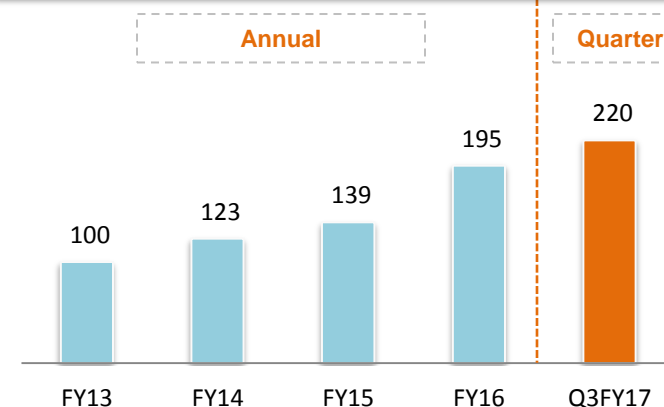
- IIFL Wealth has positioned itself to participate in a larger share of wallet by offering family office, estate planning and offshore advisory services, enabling a stronger penetration into this market
- Competitive platform encompassing brokerage, NBFC and research
- Holistic Advice acts as a key differentiator in a challenging market environment
- First and largest manufacturer and distributor of AIFs
- Financing to UHNH – large diversified private client portfolios act as collateral

\*UHNH - Ultra High Net Worth Household - NW > US\$ 4 mn. Source: IIFL Research.

### Share of domestic assets (₹ Cr)



### No. of bankers

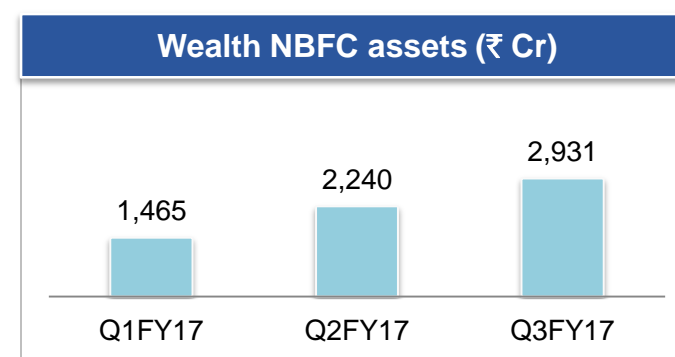
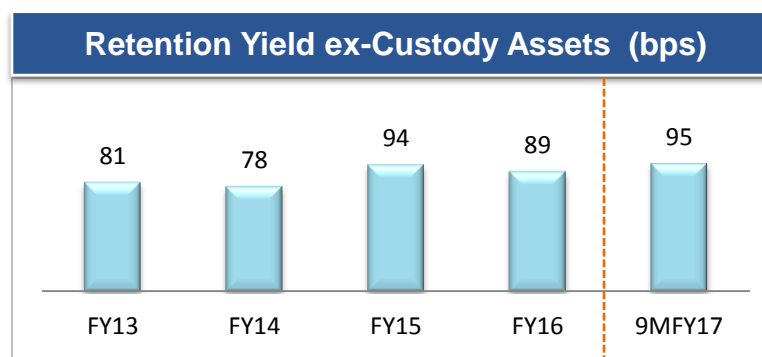
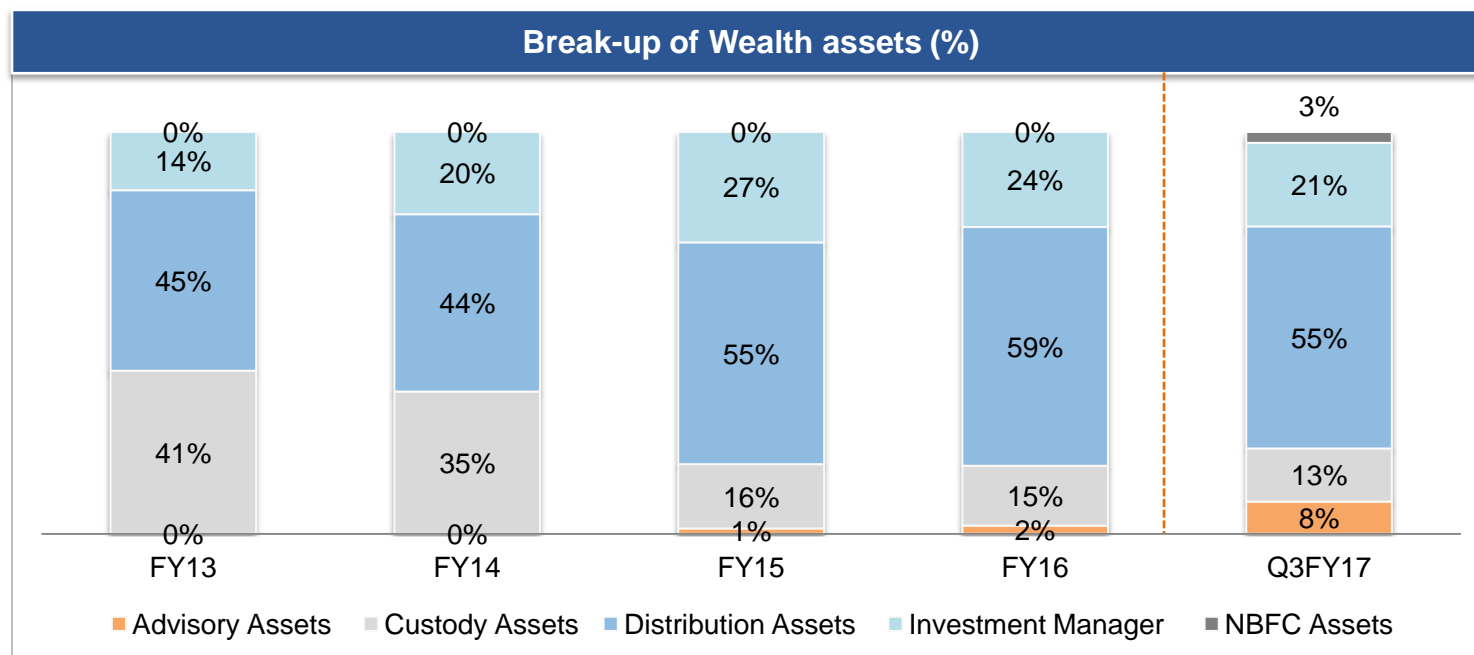


# Broadening advisory and asset management services

Quarter ended December 2016



- Focus on increasing the share of fee and trail bearing assets relative to pure transaction / brokerage assets
- For nine-month period ended Dec 31, 2016, the retention yield excluding custody assets stands at 95 bps
- During the quarter, the management team was further strengthened in key areas of Finance, Technology, Risk, Marketing and Sales to support growth trajectory





## I: IIFL Group Performance Overview

(i) Non-banking and Housing Finance

(ii) Wealth and Asset Management

**(iii) Capital Markets**

## II: Ownership, Management and Governance

## III: Corporate Social Responsibility

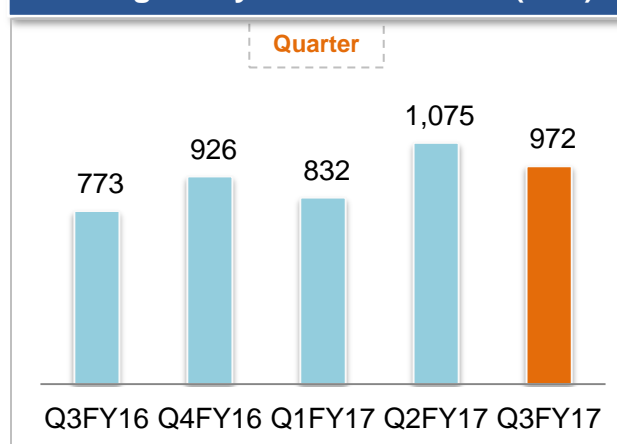
# Quarterly trend – Capital markets

Quarter ended December 2016



- IIFL is a key player in both retail and institutional segments of the Capital market, with >4% share of daily cash turnover
- Average daily cash turnover stood at ₹972 Cr. Up 26% y-o-y whereas exchange cash turnover was up 22%
- Total average daily total turnover was at ₹8,749 Cr. Up 60% y-o-y whereas exchange total turnover was up 72%
- Average daily F&O turnover stood at ₹7,777 Cr. Up 66% y-o-y whereas exchange F&O turnover was up 76%

Average daily turnover – Cash (₹ Cr)



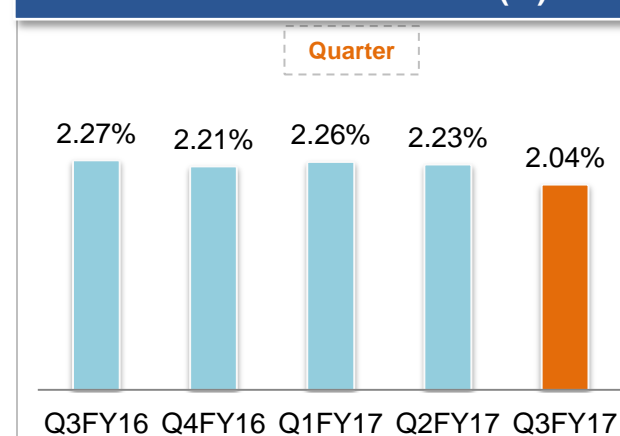
Average daily turnover - Total (₹ Cr)



NSE Market Share - Cash (%)



NSE Market Share – Total (%)



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

# Institutional equities franchise built on internationally acclaimed research



## Retail Broking

- Equity, commodities, currency broking
- Coverage of 500+ stocks
- Top rated mobile trading platform, 'IIFL Markets'
- Wide network - retail branches, franchisees, sub-brokers and online platform

## Institutional Research/ Investment Banking

- Pedigreed institutional equities team comprising 25 analysts and 180+ stocks under coverage
- Known for market leading distribution franchise across every investor segment
- Stellar track record in block placements with institutional investors

## Financial Product Distribution

- Amongst the top 6 Mutual Fund distributors in the country
- Leading non-bank distributor for life insurance in the country
- Online interface and mobile application to learn, compare and buy products from different manufacturers

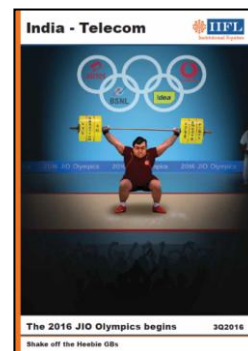
## Backed By High Quality Research



Factors that led to decline in ROE over last decade



Analyzing GCPL's journey, the management's perspective & way forward



Prospects for Reliance JIO and the implications for India's telecom sector



Analysis of Nestlé's recent launches and the launches done in past

# Digitization and innovation in retail operation

Quarter ended December 2016



## IIFL Markets - Highest rated (4.4) and most downloaded stock trading app on Android and IOS

### 9MF17 Update

- 2,500+ stock ideas shared by IIFL Experts
- 3,000+ market and stock related news notifications
- Insta-account opening using Aadhar and e-KYC
- Mobile trading clients >30% of total
- Mobile brokerage >20% of total

### Awards won during Q3FY17

- Silicon Valley Business Awards 2016 for Best Finance and Management App
- Silicon Valley Business Awards 2016 for Best Overall App

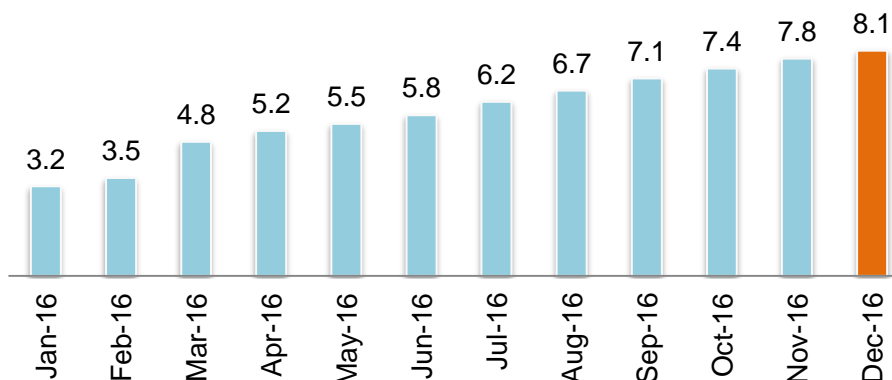
800,000+ downloads on Android



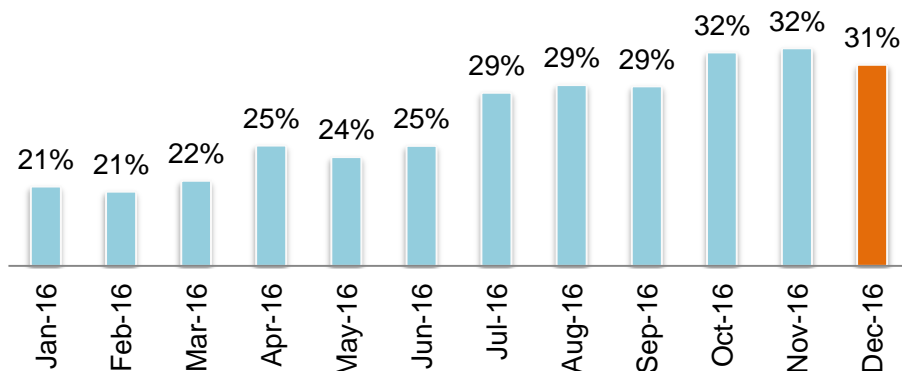
Available on



### Total downloads (in Lakh)



### Mobile trading clients (% of total)



# Investment Banking

Quarter and Nine-month ended December 2016



- Despite the capital markets being volatile during the quarter, the investment banking team won 3 IPO mandates across consumer discretionary, healthcare and financial services sectors
- Landmark performance in current fiscal year - 16 investment banking transactions completed including 5 IPOs
- Among the top 5 in terms of number of IPOs completed in the current fiscal year
- Winner at Finance Asia - BEST INDIA DEAL for ICICI Prudential Life Insurance's US\$912 million IPO

## Equity Capital Markets – YTDFY17

<p>₹6,057 Cr</p> <p>ICICI Prudential life</p> <p>IPO</p>	<p>₹1,994 Cr</p> <p>Motherson Sumi Systems</p> <p>QIP</p>	<p>₹1,213 Cr</p> <p>RBL Bank</p> <p>IPO</p>	<p>₹1,005 Cr</p> <p>India Infoline Finance</p> <p>Private Equity</p>
<p>₹883 Cr</p> <p>Ujjivan Financial Services</p> <p>IPO</p>	<p>₹654 Cr</p> <p>Dilip Buildcon</p> <p>IPO</p>	<p>₹654 Cr</p> <p>Quess Corp.</p> <p>IPO</p>	<p>₹111 Cr</p> <p>Maini Precision Products</p> <p>Private Equity</p>

## Debt – YTDFY17

<p>₹10,000 Cr</p> <p>Dewan Housing Finance</p> <p>Public Issue of Secured NCD</p>	<p>₹7,000 Cr</p> <p>Indiabulls Housing Finance</p> <p>Public Issue of Secured NCD</p>	<p>₹2,016 Cr</p> <p>Sanmar Engineering</p> <p>Private Placement of NCD</p>	<p>₹293 Cr</p> <p>SREI Infrastructure Finance</p> <p>Public Issue of Secured NCD</p>
---	---	--	--

## **I: IIFL Group Performance Overview**

**(i) Non-banking and Housing Finance**

**(ii) Wealth and Asset Management**

**(iii) Capital Markets**

## **II: Ownership, Management and Governance**

**III: Corporate Social Responsibility**





# Consistent vision and values since inception for the foundation of corporate culture



## Vision

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

## 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



## 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

- **FY16 to FY20** – Doubling of revenue and 2.5x profit and target to raise ROE from 17.3% to 24%
- Adequately capitalized to sustain volume growth
- Margin improvement to be driven by
  - Rating upgrade to help lower cost of funds
  - Cost optimization

- **NBFC** – Retail Lending, Digital Delivery
- **Wealth** – Focus on advisory mandate for customer stickiness
- **Broking** – Online retail, Research driven Institutional

- Diversified asset mix, geographically well spread
- Broadening service offerings
- Best-in-class risk management framework
- Scale and digitization to bring costs down

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

# Luminaries on board to ensure best governance practices



## 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-promoted IIFL in 1999



**Nilesh Vikamsey**, Independent Director

- Senior Partner at Khimji Kunverji & Co



**A K Purwar**, Independent Director

- Former Chairman, State Bank of India



**C Ratnaswami**, Non-Executive Director

- MD of Hamblin Watsa, subsidiary of Fairfax



**S Narayan**, Independent Director

- Former finance secretary, former economic advisor to Prime Minister



**Kranti Sinha**, Independent Director

- Former CEO of LIC Housing Finance



**Geeta Mathur**, Independent Director

- CFO of Helpage India

## IIFL Group's Advisory Board



**Ashok Jha**

- Former Finance Secretary, Government of India



**Keki Dadiseth**

- Former Director, Unilever Plc.



**Keki Mistry**

- Vice Chairman and Chief Executive Officer of HDFC



**S Sundaresan**

- An eminent Corporate Lawyer



**Sat Pal Khattar**

- Singapore based eminent Lawyer and Investor



**S Venkatachalam**

- Non Executive Chairman, Oracle Financial Services

## 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 comprises professionals with rich domain experience and ownership

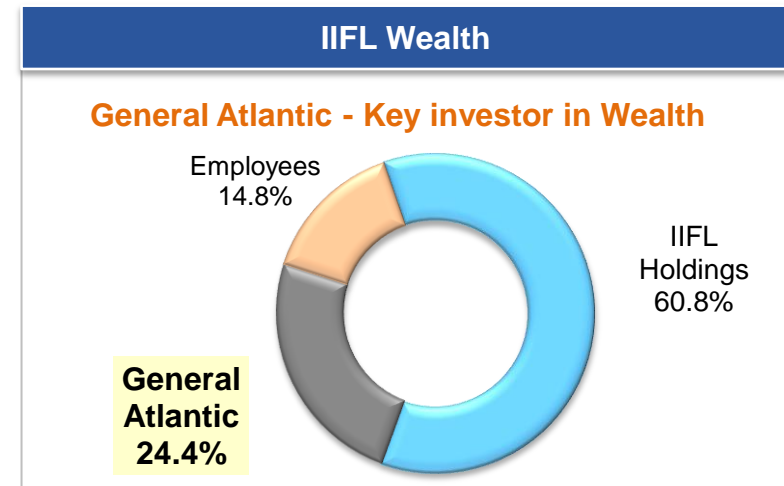
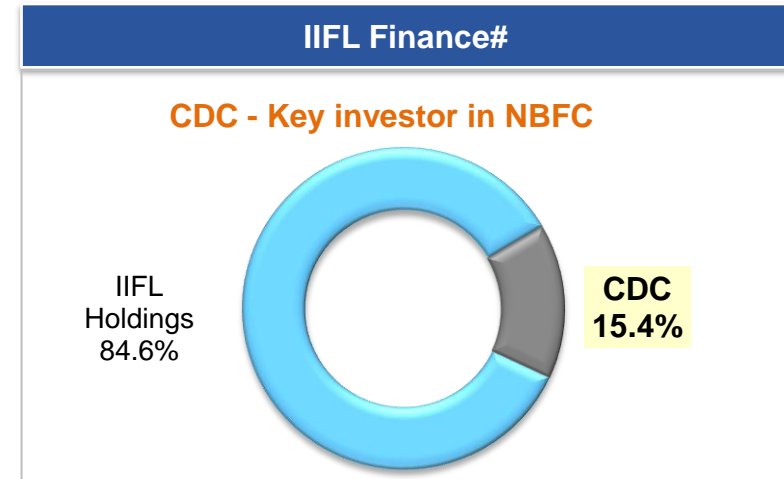
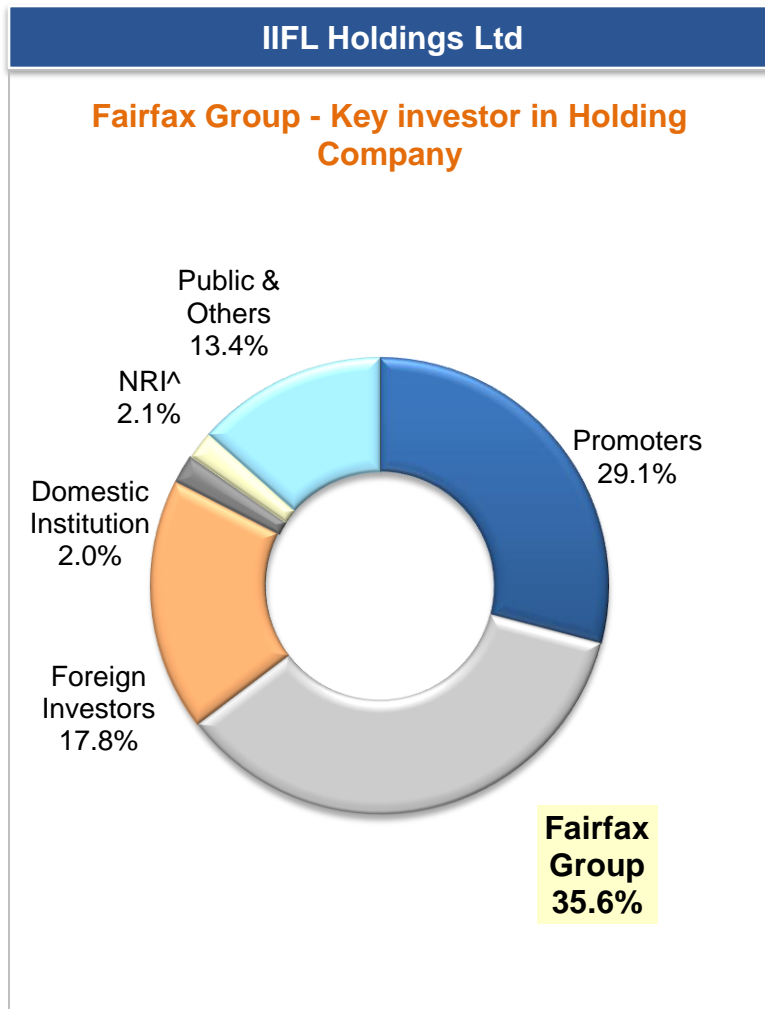


- Team with impeccable academic and professional credentials
- Average experience of 15-20 yrs in banks, NBFCs
- Liberal employee ownership
- Open door, transparent and performance oriented culture
- Significant management depth at tier 2, 3 level

## Management Team

Chairman	Nirmal Jain	Managing Director	R. Venkataraman
Financing	Rajashree Nambiar	Finance	Prabodh Agrawal
Housing Finance	Monu Ratra	Compliance	R. Mohan
Wealth Management	Karan Bhagat	Company Secretary	Gajendra Thakur
Offshore Asset Management	Amit Shah	Strategy	Aniruddha Dange
Institutional Equities	H. Nemkumar	Technology	Subhash Kelkar
Investment Banking	Nipun Goel	Human Capital	Anand Mathur
PMS & Retail Broking	Arindam Chanda	Treasury	B.S. Amarnath
Realty Services	Balaji Raghavan	Internal Audit	Narendra Jain

# Globally renowned investors have reposed confidence in us



# IIFL's brand and credibility are substantiated by multiple awards in all lines of business



**Best Technological Innovation in Capital Markets** at Zee Business Market Excellence Awards, 2016



**ET Best BFSI Brands** Recognition



**No. 1 in Financial Services category** as per Brand Trust Report 2016



**Best Customer Service in Financial Sector** by World Quality Congress



**Drivers of Digital Award 2016** – Special Jury Mention



**Digital Innovation Champion Award** – CIO Crown 2016



**NSDL Star Performer "Leader in Go Green Initiative – 1<sup>st</sup> Position"**



**Best Private Banking Services Overall** - India, 2017



**Best Private Bank India** Global Finance Best Private Bank Award 2017



**Best Private Wealth Manager - India & Best India Start-Up Fund: Seed Venture**



**ET NOW Dealing Room Heroes**



**Golden Peacock Award for Corporate Social Responsibility** – 2016

## **I: IIFL Group Performance Overview**

**(i) Non-banking and Housing Finance**

**(ii) Wealth and Asset Management**

**(iii) Capital Markets**

## **II: Ownership, Management and Governance**

## **III: Corporate Social Responsibility**



# Corporate Social Responsibility

Quarter ended December 2016



## Education

### • Activities in Rajasthan

- Smart class room and additional infrastructure supported by IIFL for a rural school in Gogunda, Udaipur inaugurated by HH Governor of Rajasthan, Shri Kalyan Singh

## Gram Vardhan Yojana

### • Activities in Jawhar

- Vocational Training for Tribal Boys - Over 450 tribal boys trained this quarter in electrician, two- & three-wheeler and retail skill-sets successfully placed

## Financial Literacy and Demonetisation awareness drive in Mumbai schools

- Over 5,000 school children underwent lessons in financial literacy in Q3FY17
- IIFL Foundation also conducted over 50 awareness sessions on demonetisation for women, students, others in Mumbai

## Supporting education in Rajasthan



## Financial literacy drive in Mumbai



## Diwali Daan Utsav at Mokhada



## Key Focus Areas

- Integrated Rural Development
- Drought relief and Water conservation
- Education and Financial Literacy
- Health
- Economic Empowerment of Women
- Sustainable Livelihood



## Awards and Recognition - Q3FY17

- Golden Peacock Award for Corporate Social Responsibility – 2016
- Skoch Blue Economy Order of Merit Award - IIFL Foundation projects adjudged as Top 100 projects in India

# Thank you

Published in January 2017 © IIFL Holdings Ltd 2016-17.

IIFL Holdings Ltd. All rights reserved. Regd. Off: IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate, Thane – 400604.  
Tel.: +(91 22)4007 7000 Fax: 2685 0451.

This report is for information purposes only and does not construe to be any investment, legal or taxation advice. It is not intended as an offer or solicitation for the purchase and sale of any financial instrument. Any action taken by you on the basis of the information contained herein is your responsibility alone and IIFL Holdings Ltd (hereinafter referred as IHL) and its subsidiaries or its employees or directors, associates will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of the information contained herein, but do not represent that it is accurate or complete. IHL or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this publication. The recipients of this report should rely on their own investigations. IHL and/or its subsidiaries and/or directors, employees or associates may have interests or positions, financial or otherwise in the securities mentioned in this report.