

# Performance Review

For the Year : FY17

## IIFL Holdings Limited

Bloomberg: IIFL IN

May 04, 2017

KNOWLEDGE IS THE EDGE



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

## **I: IIFL Group Performance Overview 4**

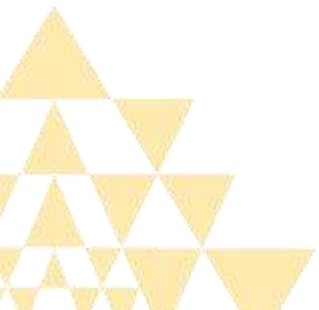
**(i) Non-banking and Housing Finance 11**

**(ii) Wealth and Asset Management 21**

**(iii) Capital Markets 27**

## **II: Ownership, Management and Governance 32**

## **III: Corporate Social Responsibility 40**



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

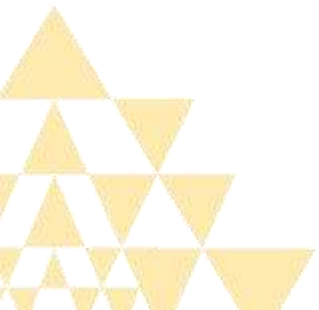
**(i) Non-banking and Housing Finance**

**(ii) Wealth and Asset Management**

**(iii) Capital Markets**

**II: Ownership, Management and Governance**

**III: Corporate Social Responsibility**



# IIFL Group – Yearly Performance Highlights

Year ended March 2017



	Income	Net profit	Key Figures	Reach
<b>IIFL Group</b>	<b>₹2,833 Cr</b> up 24% y-o-y	Pre-Minority <b>₹822 Cr</b> (up 48% y-o-y) Post-Minority <b>₹686 Cr</b> (up 34% y-o-y)	<b>ROE – 17.7%</b> (17.3% prev year)	<b>40 Lakh customers</b> <b>300 global funds</b>
<b>NBFC</b>	<b>₹1,377 Cr</b> up 23% y-o-y	<b>₹423 Cr</b> up 25% y-o-y	<b>ROE – 15.2%</b> (16.9% prev year) <b>ROA – 2.0%</b> (1.9% prev year)	<b>1,112 branches</b>
<b>Wealth</b>	<b>₹834 Cr</b> up 46% y-o-y	<b>₹250 Cr</b> up 48% y-o-y	Wealth AUM <b>₹120,101 Cr</b> up 51% y-o-y	<b>22 Offices</b> including in <b>7 Major Global Financial Centres</b>
<b>Capital Market/ Others</b>	<b>₹622 Cr</b> up 6% y-o-y	<b>₹148Cr</b> up 3x y-o-y	NSE Cash Market Share – <b>4.3%</b>	<b>1,200+</b> service locations

Notes – (i) Income is net of interest expense

# IIFL Group – Quarterly Performance Highlights

Quarter ended March 2017



	Income	Net profit	Key Figures	Reach
<b>IIFL Group</b>	<b>₹843 Cr</b> up 30% y-o-y	Pre-Minority <b>₹235 Cr (up 57% y-o-y)</b> Post-Minority <b>₹186 Cr (up 37% y-o-y)</b>	<b>ROE – 17.1%</b> <b>17.3% Q4FY16</b>	<b>40 Lakh customers</b> <b>300 global funds</b>
<b>NBFC</b>	<b>₹404 Cr</b> up 37% y-o-y	<b>₹121 Cr</b> up 27% y-o-y	Loan AUM <b>₹22,281 Cr</b> up 14% y-o-y	<b>1,112 branches</b>
<b>Wealth</b>	<b>₹262 Cr</b> up 53% y-o-y	<b>₹75 Cr</b> up 63% y-o-y	Wealth AUM - <b>₹120,101 Cr</b> up 51% y-o-y	<b>10,000+ families</b>
<b>Capital Market/ Others</b>	<b>₹178 Cr</b> Down 2% y-o-y	<b>₹39 Cr</b> up 5x y-o-y	IIFL Markets App <b>~10,00,000</b> Android downloads	<b>1,200+</b> service locations

Notes – (i) Income is net of interest expense (ii) Net profit is pre-minority (iii) ROE and EPS for quarter ended March 31, 2017 are annualized.

# IIFL Group – Consolidated Results

Year/Quarter ended March 2017



## Quarterly Trend

₹Cr	Q4FY17	Q4FY16	Y-o-Y	Q3FY17	Q-o-Q
Fund based activities	1,019.0	748.8	36%	943.8	8%
Financial products distribution	231.0	185.3	25%	166.2	39%
Capital market activities	150.9	162.5	-7%	160.6	-6%
Other income	3.5	3.3	7%	3.1	12%
<b>Total Income</b>	<b>1,404.4</b>	<b>1,099.9</b>	<b>28%</b>	<b>1,273.7</b>	<b>10%</b>
Operating cost	65.9	65.4	1%	49.6	33%
Employee cost	227.5	193.5	18%	197.4	15%
Administration and other expenses	172.5	135.1	28%	156.9	10%
Total expenses	465.9	394.0	18%	403.9	15%
<b>EBITDA</b>	<b>938.5</b>	<b>705.9</b>	<b>33%</b>	<b>869.8</b>	<b>8%</b>
Interest costs	561.0	450.5	25%	527.8	6%
Depreciation and amortization	14.4	16.3	-12%	12.9	11%
<b>Profit before tax</b>	<b>363.1</b>	<b>239.1</b>	<b>52%</b>	<b>328.9</b>	<b>10%</b>
Provision for taxation	128.6	89.4	44%	106.6	20%
<b>Net Profit (pre minority)</b>	<b>234.5</b>	<b>149.7</b>	<b>57%</b>	<b>222.3</b>	<b>6%</b>
Minority Interest	48.1	13.2	263%	43.2	12%
<b>Net Profit (post minority)</b>	<b>186.4</b>	<b>136.5</b>	<b>37%</b>	<b>179.1</b>	<b>4%</b>

## Yearly Trend

FY17	FY16	Y-o-Y
3,629.4	2,723.0	33%
715.8	676.9	6%
567.2	551.8	3%
12.4	10.6	17%
<b>4,924.8</b>	<b>3,962.3</b>	<b>24%</b>
188.5	150.3	25%
785.5	704.5	12%
580.7	519.1	12%
1,554.7	1,373.9	13%
<b>3,370.1</b>	<b>2,588.4</b>	<b>30%</b>
2,092.1	1,680.0	25%
54.0	66.1	-18%
<b>1,224.0</b>	<b>842.3</b>	<b>45%</b>
401.8	287.8	40%
<b>822.2</b>	<b>554.5</b>	<b>48%</b>
136.1	43.3	215%
<b>686.1</b>	<b>511.2</b>	<b>34%</b>

Note - Previous periods figures have been regrouped / rearranged wherever necessary.  
Loss from discontinuing operations have been adjusted with total expenses

# IIFL Group – Consolidated Balance Sheet

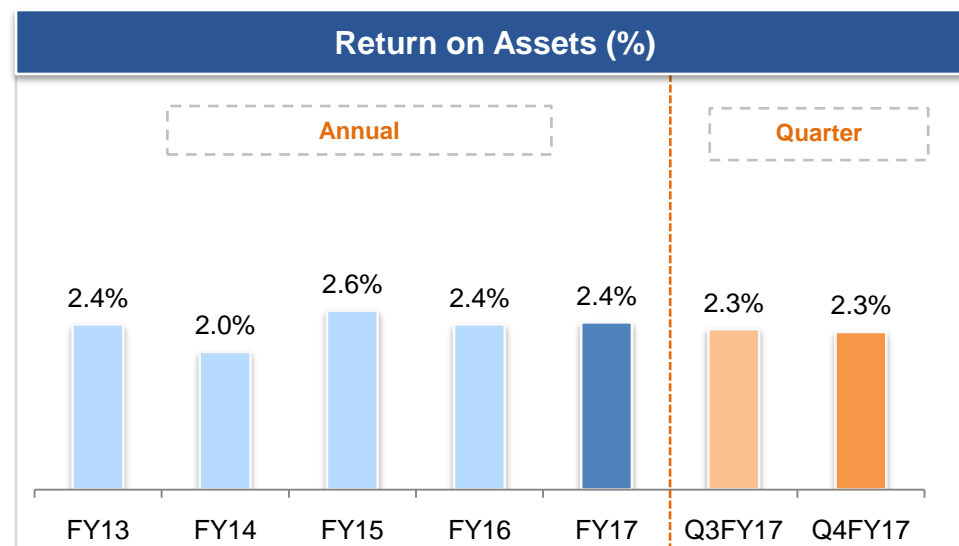
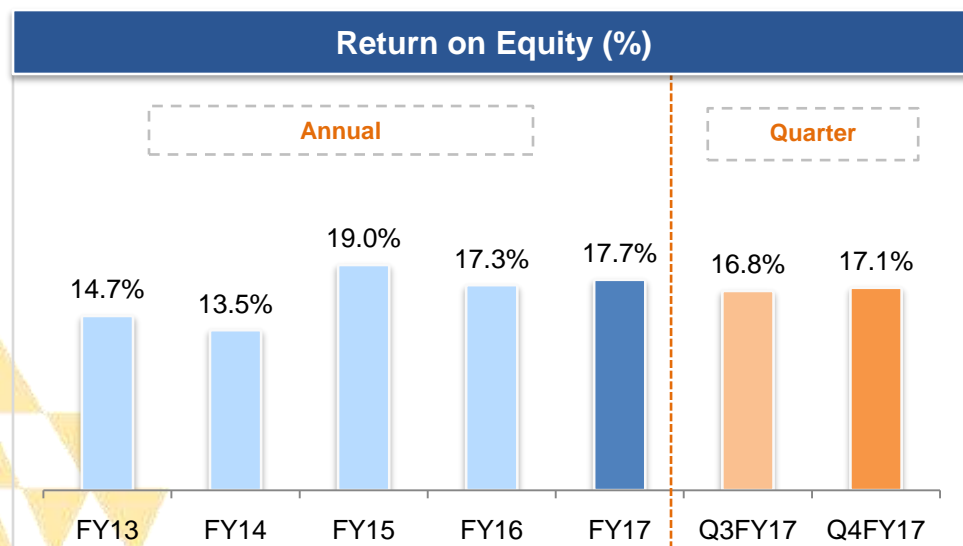
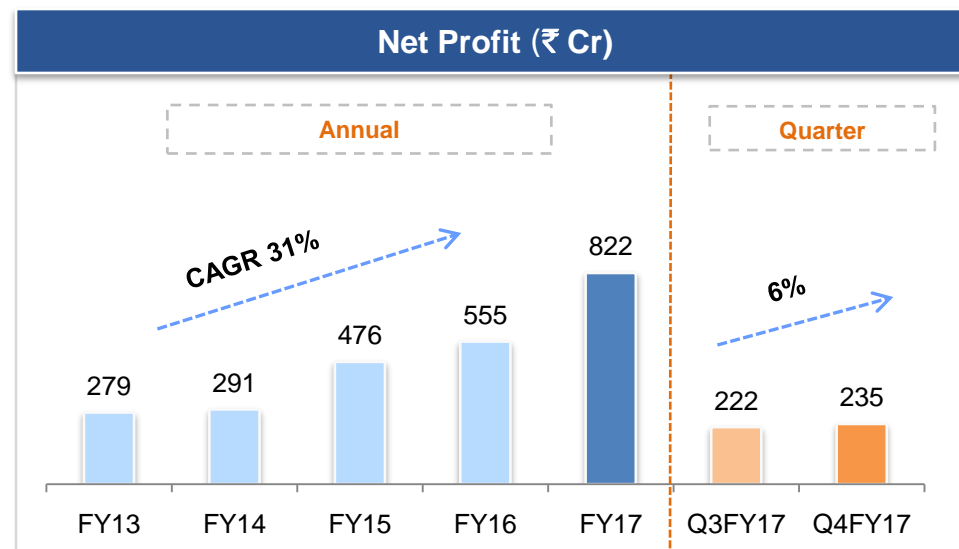
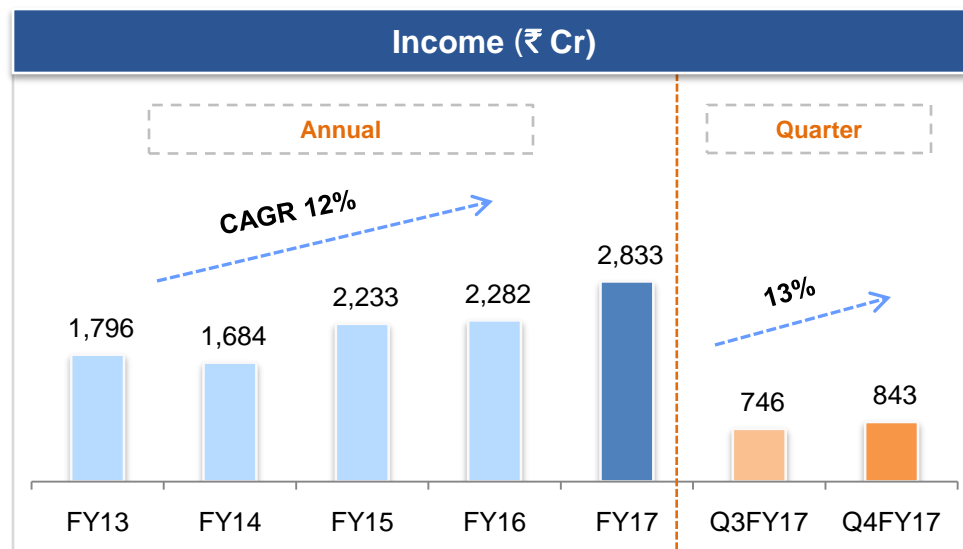
Year/Quarter ended March 2017



₹Cr	As at 31.03.2017	As at 31.03.2016	Y-o-Y	As at 31.12.2016	Q-o-Q
Equity Share Capital	63.6	63.3	0%	63.5	0%
Reserves and Surplus	4,318.0	3,288.8	31%	4,288.1	1%
<b>Shareholders' funds</b>	<b>4,381.6</b>	<b>3,352.1</b>	<b>31%</b>	<b>4,351.6</b>	<b>1%</b>
Minority Interest	1,255.2	743.7	69%	1,135.4	11%
Borrowings	24,324.6	15,947.6	53%	22,939.8	6%
<b>Sources of Funds</b>	<b>29,961.4</b>	<b>20,043.4</b>	<b>49%</b>	<b>28,426.7</b>	<b>5%</b>
Fixed assets	758.6	538.3	41%	623.1	22%
Investments	3,535.8	1,368.6	158%	4,045.8	-13%
Gross Loans	22,896.2	17,870.4	28%	21,873.9	5%
Less: NPA Provision	(240.5)	(159.1)	51%	(217.7)	11%
<b>Net Loans</b>	<b>22,655.7</b>	<b>17,711.3</b>	<b>28%</b>	<b>21,656.3</b>	<b>5%</b>
Net Current Assets	3,011.4	425.2	608%	2,101.6	43%
<b>Application of Funds</b>	<b>29,961.4</b>	<b>20,043.4</b>	<b>49%</b>	<b>28,426.7</b>	<b>5%</b>

# IIFL Group – Consolidated Results Trend

Year/Quarter ended March 2017

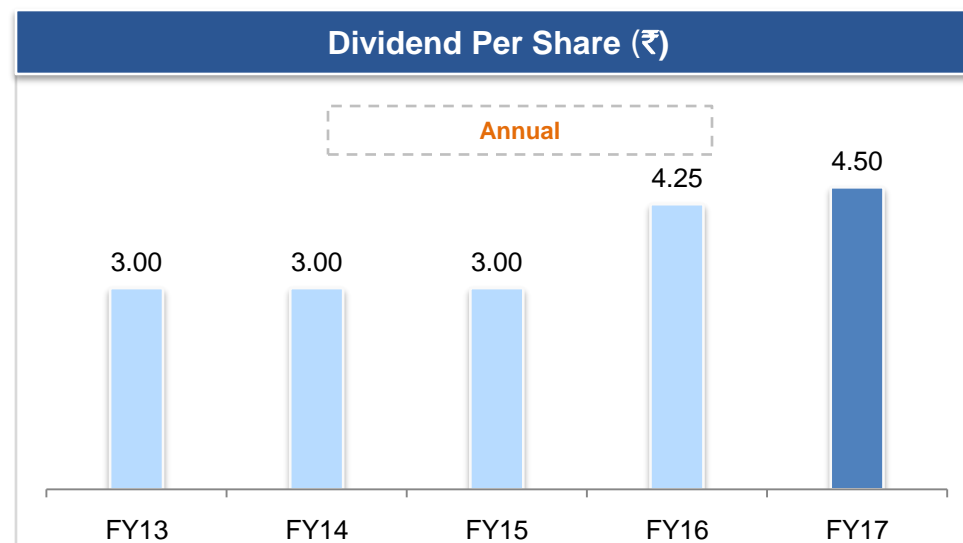
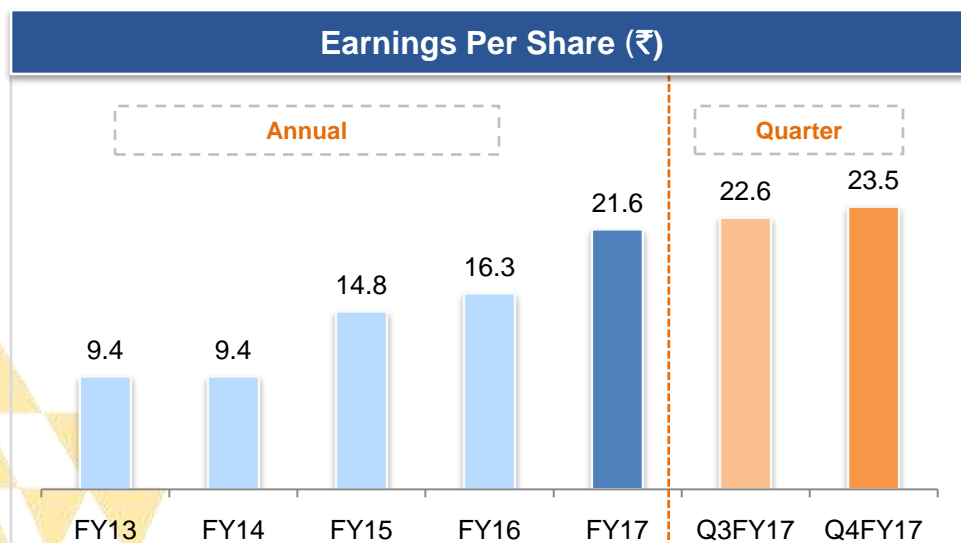
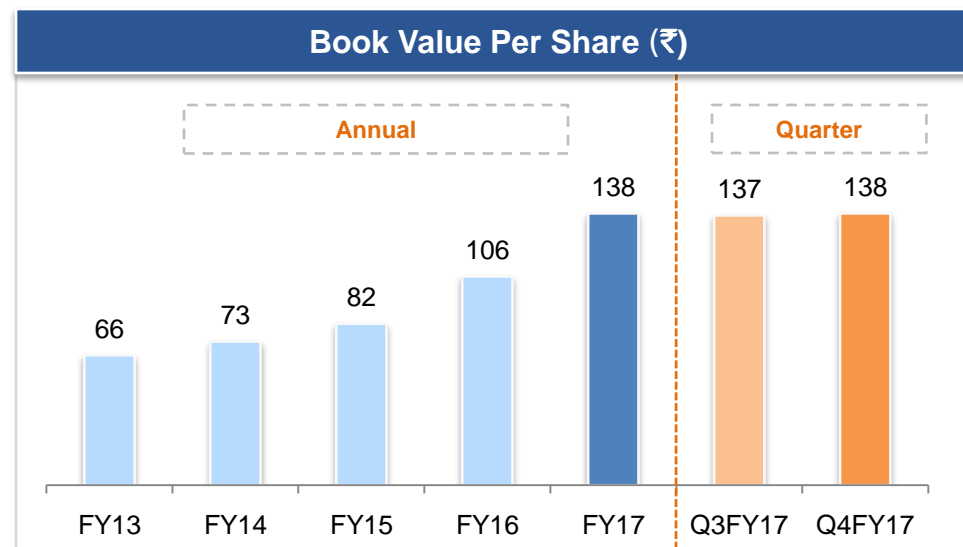
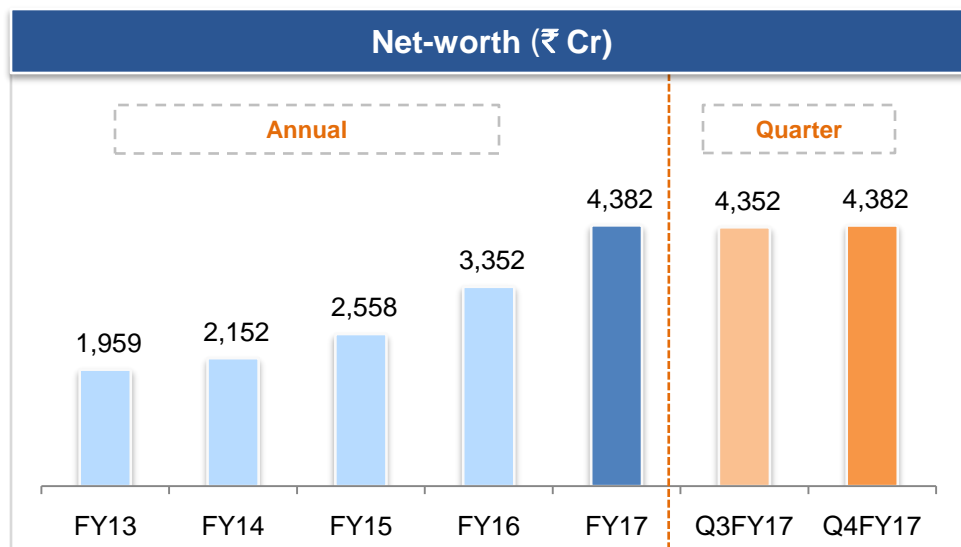


Notes – (i) Net profit is pre-minority (ii) Income is net of interest expense (iii) Quarterly ROA and ROE are annualized.



# IIFL Group – Consolidated Results Trend

Year/Quarter ended March 2017



Note – Quarterly EPS is annualized.

## I: IIFL Group Performance Overview

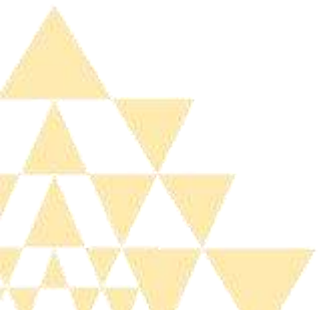
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# India Infoline Finance – Consolidated Results

Year/Quarter ended March 2017



## Quarterly Trend

₹Cr	Q4FY17	Q4FY16	Y-o-Y	Q3FY17	Q-o-Q
Loan book	19,279.9	17,769.5	8%	18,943.0	2%
Securitised assets	3,001.2	1,744.9	72%	2,146.6	40%
<b>Assets under management</b>	<b>22,281.0</b>	<b>19,514.4</b>	<b>14%</b>	<b>21,089.5</b>	<b>6%</b>
Interest income	791.3	694.3	14%	759.2	4%
Less: Interest expense	445.8	433.1	3%	446.6	0%
Net Interest income	345.5	261.3	32%	312.6	11%
Other income	58.6	34.4	70%	38.1	54%
<b>Total income</b>	<b>404.1</b>	<b>295.7</b>	<b>37%</b>	<b>350.8</b>	<b>15%</b>
Less: Operating expense	157.1	122.4	28%	136.4	15%
Less: Loan losses & provision	61.8	25.9	138%	43.3	43%
<b>Profit before tax</b>	<b>185.2</b>	<b>147.4</b>	<b>26%</b>	<b>171.1</b>	<b>8%</b>
<b>Profit after tax</b>	<b>120.5</b>	<b>95.0</b>	<b>27%</b>	<b>111.7</b>	<b>8%</b>

## Yearly Trend

FY17	FY16	Y-o-Y
19,279.9	17,769.5	8%
3,001.2	1,744.9	72%
<b>22,281.0</b>	<b>19,514.4</b>	<b>14%</b>
3,006.4	2,594.7	16%
1,787.5	1,609.1	11%
1,218.9	985.6	24%
158.7	137.7	15%
<b>1,377.6</b>	<b>1,123.3</b>	<b>23%</b>
552.5	493.7	12%
175.9	108.7	62%
<b>649.2</b>	<b>520.9</b>	<b>25%</b>
<b>423.2</b>	<b>338.7</b>	<b>25%</b>

# India Infoline Finance – Consolidated Balance Sheet

Year/Quarter ended March 2017



₹Cr	As at 31.03.2017	As at 31.03.2016	Y-o-Y	As at 31.12.2016	Q-o-Q
Equity Share Capital + CCPS	280.5	237.2	18%	280.5	0%
Preference Share Capital	75.0	325.0	-77%	75.0	0%
Reserves and Surplus	3,189.4	1,901.9	68%	3,158.4	1%
<b>Shareholders' funds</b>	<b>3,544.9</b>	<b>2,464.0</b>	<b>44%</b>	<b>3,513.9</b>	<b>1%</b>
Minority Interest	3.7	-	0%	-	0%
Borrowings	18,104.4	15,312.7	18%	17,582.5	3%
<b>Sources of Funds</b>	<b>21,652.9</b>	<b>17,776.7</b>	<b>22%</b>	<b>21,096.4</b>	<b>3%</b>
Fixed assets	124.1	65.5	89%	62.3	99%
Investments	1,436.5	247.5	480%	1,325.7	8%
Gross Loans	19,279.8	17,769.5	8%	18,943.0	2%
Less: NPA Provision	(240.5)	(159.1)	51%	(217.7)	11%
<b>Net Loans</b>	<b>19,039.3</b>	<b>17,610.4</b>	<b>8%</b>	<b>18,725.3</b>	<b>2%</b>
Net Current Assets	1,053.0	(146.7)	nm	983.0	7%
<b>Application of Funds</b>	<b>21,652.9</b>	<b>17,776.7</b>	<b>22%</b>	<b>21,096.4</b>	<b>3%</b>

# Adequately capitalized and well-placed for growth

Year/Quarter ended March 2017



## 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 18.1% in Q4FY17

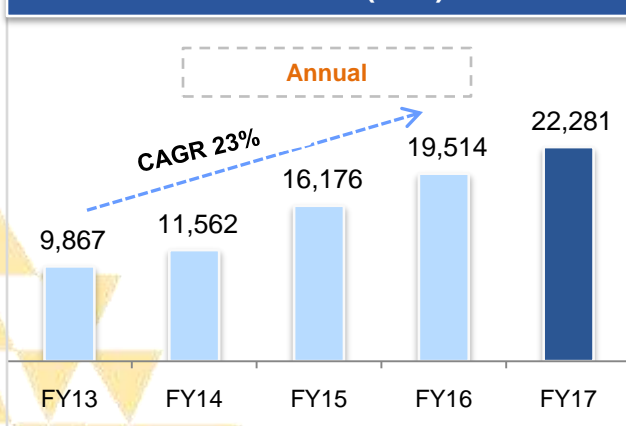
## 2 Strong management team in place

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

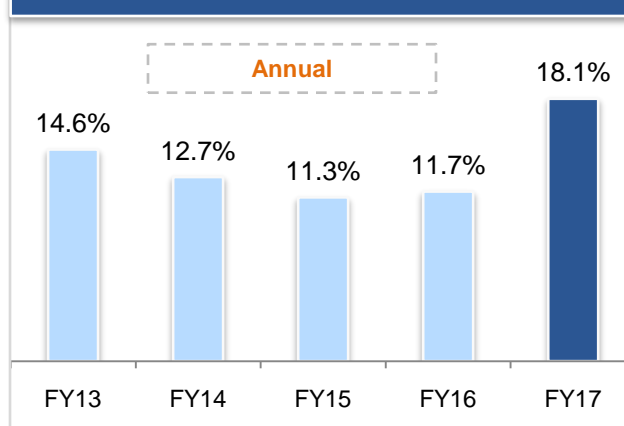
## 4 Leveraging pan India network of branches

- With a wide network of 1,112 branches, IIFL Finance is well placed to cater to the retail loan demand across India

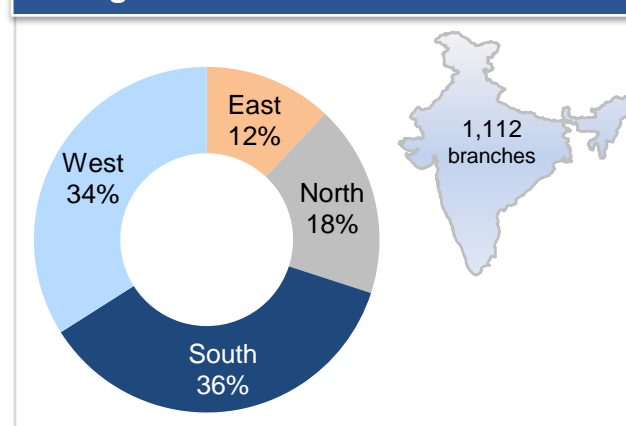
Loan AUM (₹ Cr)



CRAR – Tier I



Regional distribution of branches



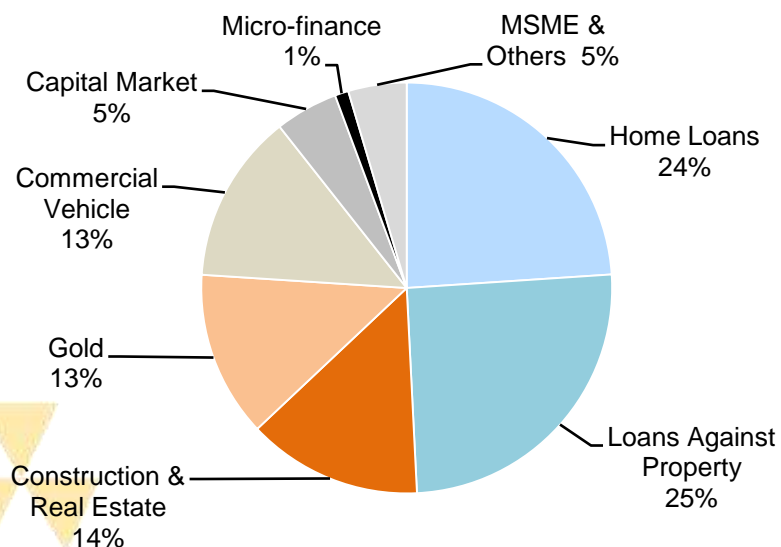
# Achieving volume growth with superior asset mix

Year/Quarter ended March 2017



- Key growth drivers are low risk retail home loans, CV loans and small ticket SME loans
- In Construction & Real Estate loans the mix has significantly changed towards construction finance for small-ticket housing projects
- The share of Capital market loans continues to decline; MF has been added as a new segment

**Q4FY17 Share (%)**



Loan AUM (₹Cr)	Q4FY17	Q3FY17	Q4FY16
Home Loans	5,336	4,646	2,729
Loans Against Property	5,627	5,311	4,990
Construction & Real Estate	3,067	2,982	2,811
Gold	2,910	2,986	2,914
Commercial Vehicle	2,974	2,790	2,282
Capital Market	1,104	1,432	2,598
Micro-finance	239	0	0
MSME & Others	1,024	942	1,190
<b>Total</b>	<b>22,281</b>	<b>21,090</b>	<b>19,514</b>

Loan AUM (%)		Q4FY17	Q3FY17	Q4FY16
Home Loans	↑	24%	22%	14%
Loans Against Property	↓	25%	25%	26%
Construction & Real Estate		14%	14%	14%
Gold	↓	13%	14%	15%
Commercial Vehicle	↑	13%	13%	12%
Capital Market	↓	5%	7%	13%
Micro-finance	↑	1%	0%	0%
MSME & Others	↓	5%	4%	6%
<b>Total</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>

Notes – (i) MSME loans include Healthcare equipment, SME and digital finance (ii) Arrows represent year-on-year trend

# Product Portfolio Break-up

Year/Quarter ended March 2017



Q4FY17	% Portfolio Share	NNPA%	Yield %	Average Ticket Size (Lakhs)	LTV %
Home Loans	24%	0.28%	10.0%	26.0	68%
Loans Against Property	25%	0.87%	12.4%	81.2	48%
Construction & Real Estate	14%	0.06%	17.2%	847.8	35%
Gold	13%	0.00%	22.2%	0.5	64%
Commercial Vehicle	13%	1.91%	16.8%	8.0	75%
Capital Market	5%	0.00%	11.7%	56.0	68%
Micro-finance	1%	0.00%	24.6%	0.3	-
MSME & Others	5%	1.67%	14.2%	38.0	54%
<b>Total</b>	<b>100%</b>	<b>0.58%</b>	<b>14.5%</b>	<b>-</b>	<b>-</b>

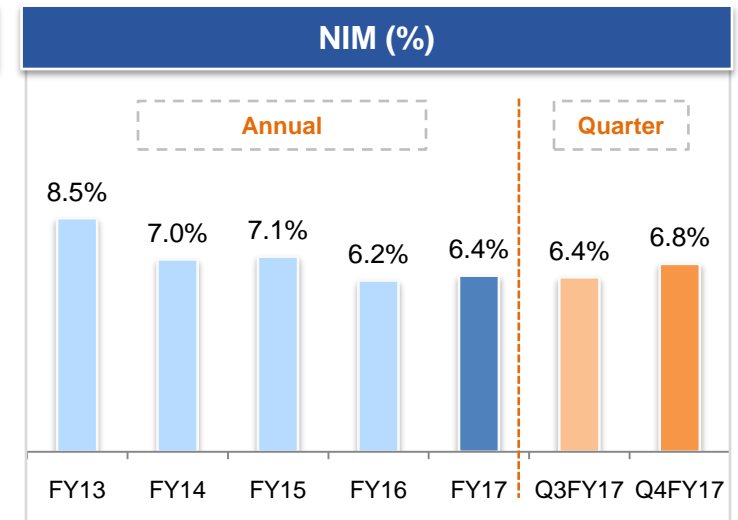
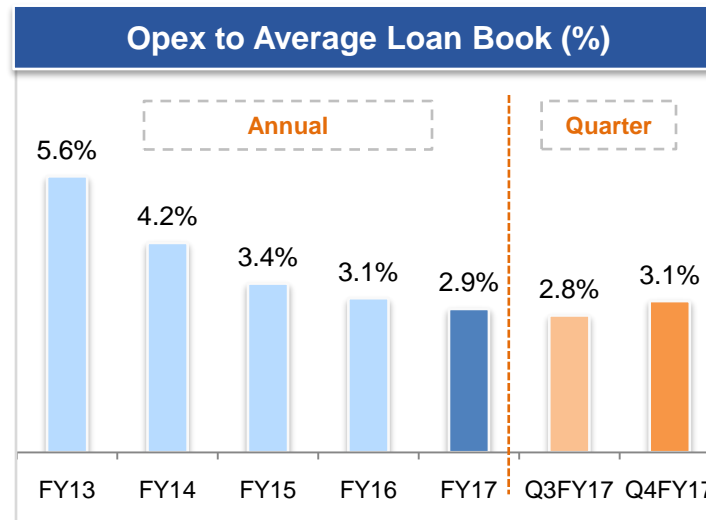
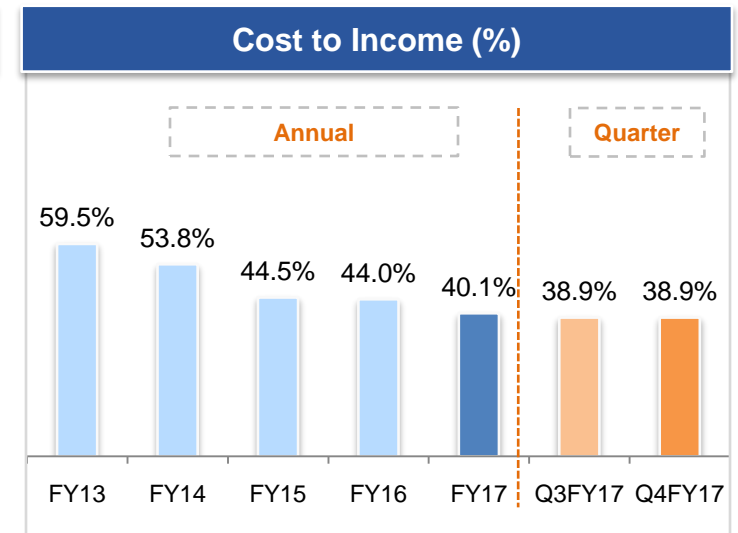
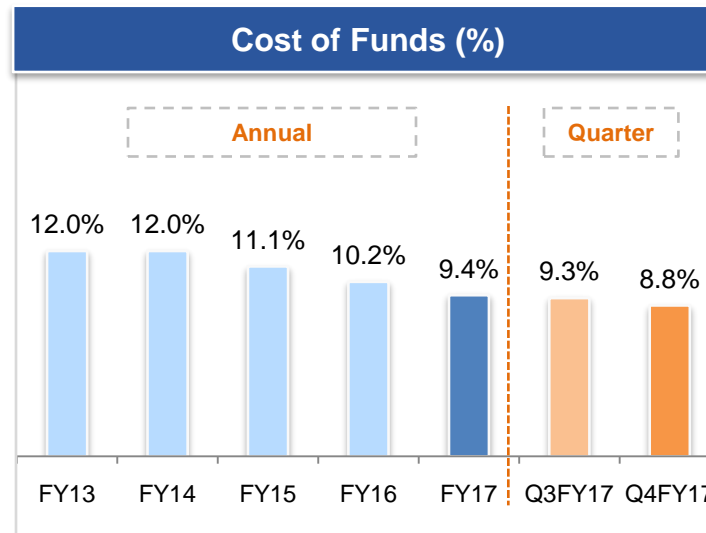
Note – MSME Loans include Healthcare equipment, SME and digital finance

# Funding costs decline, NIMs expand

Year/Quarter ended March 2017



- Average borrowing costs declined 50bps q-o-q and 130bps y-o-y to 8.8%. Availability and incremental cost of funding remain very favorable to us
- NIMs have expanded by 40bps q-o-q largely due to fall in funding costs
- Cost/Income to fall with digitization and economies of scale
- 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+



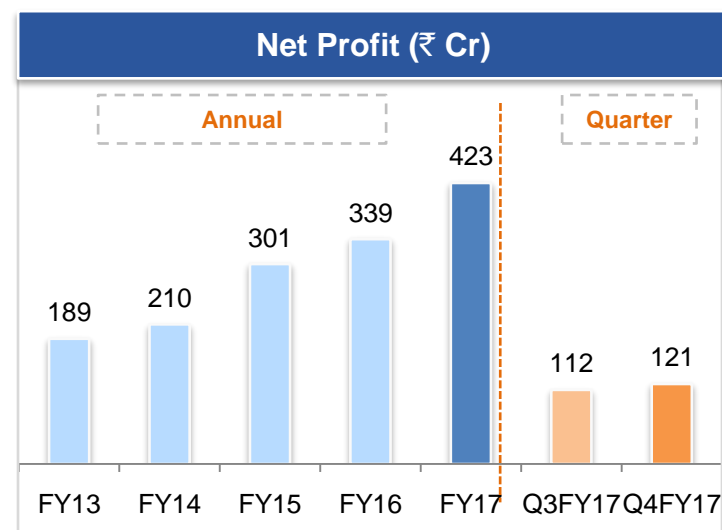
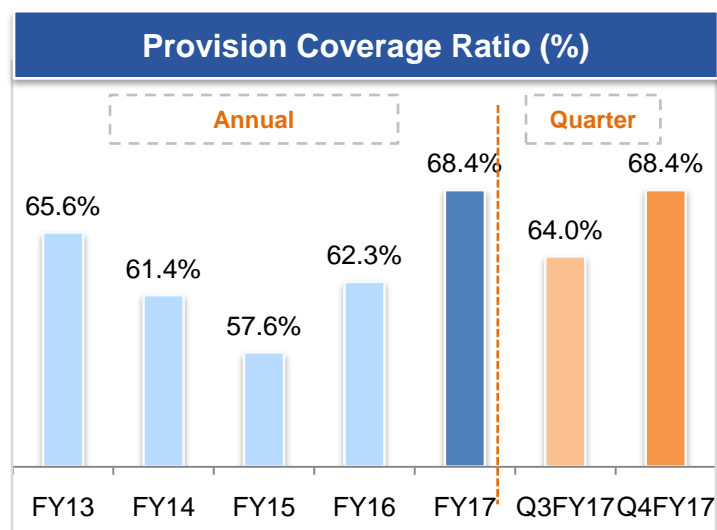
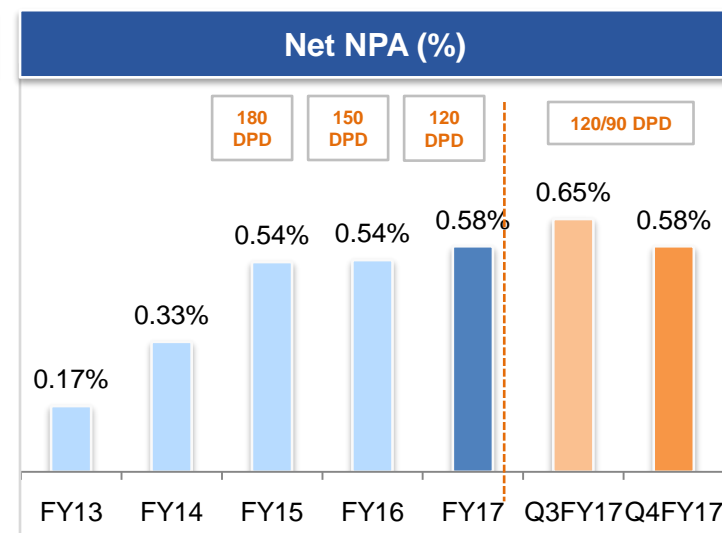
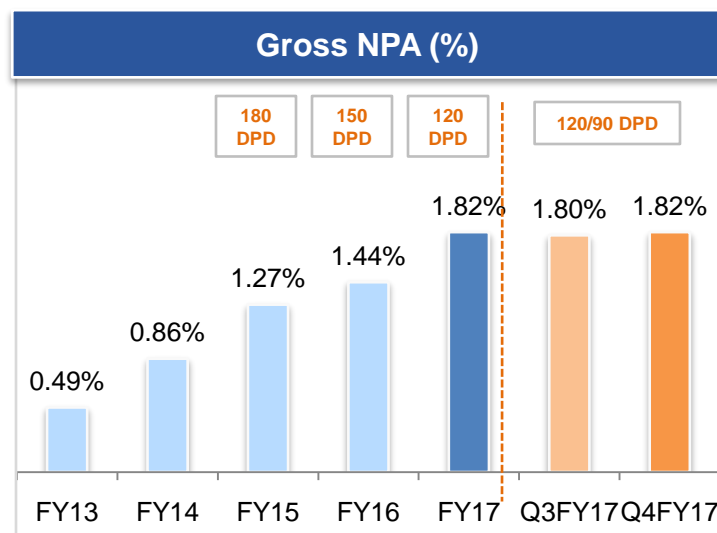


# Through cycles, maintaining superior quality of assets

Year/Quarter ended March 2017



- Asset quality remains sound with GNPA of 1.8% and NNPA of 0.6%, both stable on q-o-q basis.
- NPA provision coverage ratio improved on q-o-q and y-o-y basis to 68% (92% including standard asset provision)
- Securitised loan book currently stands at 13% of AUM, up from 9% in the same quarter last year. Significant opportunity for securitisation exists, which will positively impact profitability and CAR

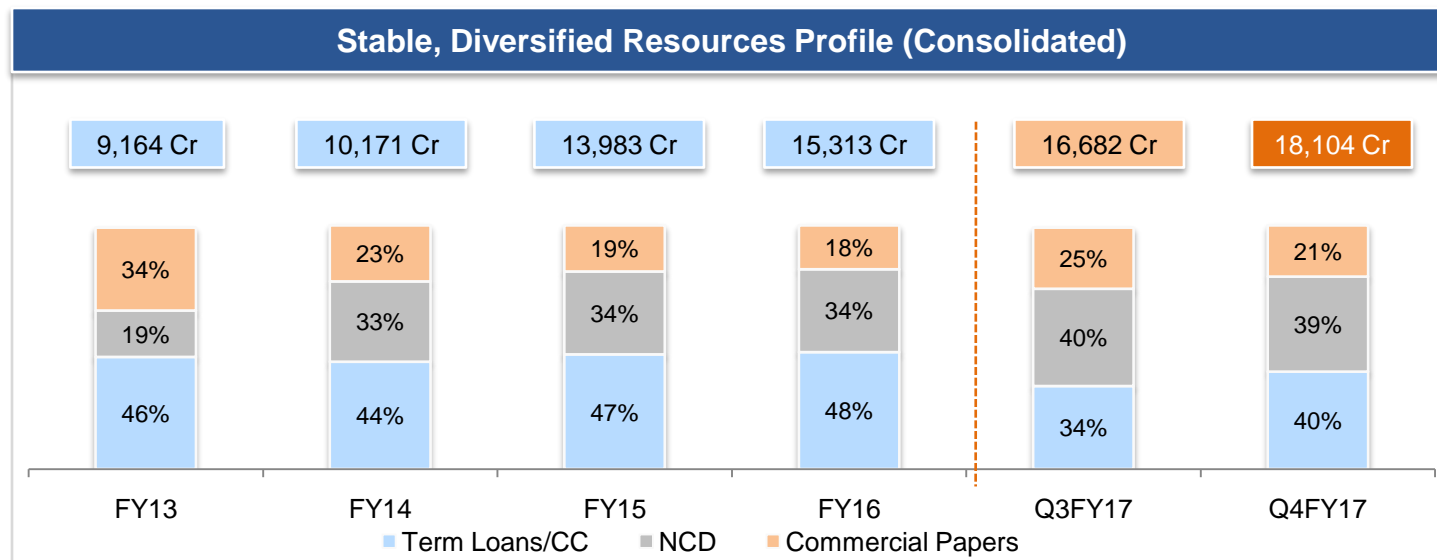
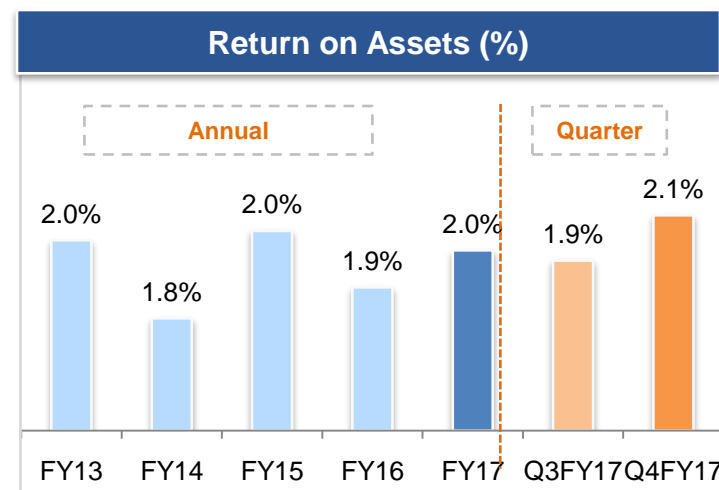
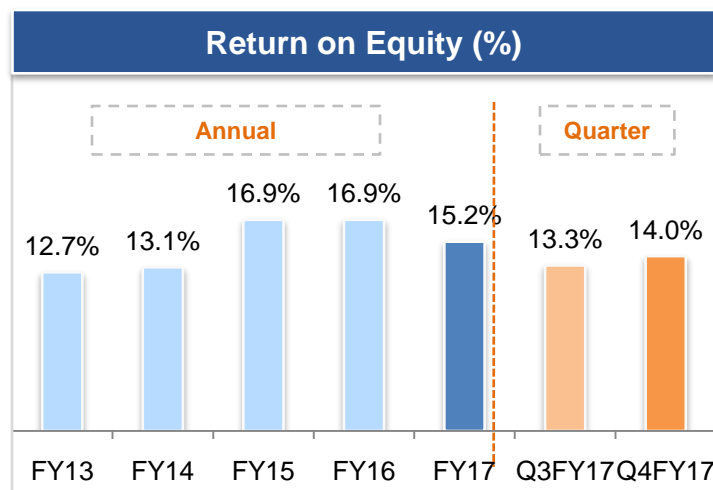


# Improving NBFC profitability and return ratios

Year/Quarter ended March 2017



- ROE\* of 14% and ROA\* of 2.1% are healthy and expected to improve as we further leverage our balance-sheet
- Well diversified borrowing mix including from banks, mutual funds, insurance companies and public; dependence on bank borrowings has reduced and short-term borrowings remain low
- Ample liquidity in the system. Banks are eager to lend to us and buy securitized loans from us, in the current environment of 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/  
Audit

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



Gold Loan Audit TAB



Live Chat

## I: IIFL Group Performance Overview

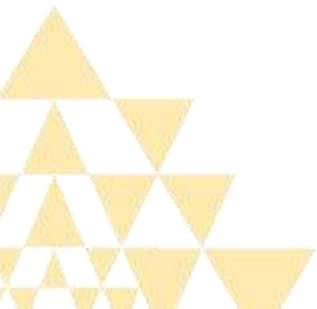
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## II: Ownership, Management and Governance

## III: Corporate Social Responsibility



# IIFL Wealth Management – Consolidated Results

Year/Quarter ended March 2017



## Quarterly Trend

## Yearly Trend

₹Cr	Q4FY17	Q4FY16	Y-o-Y	Q3FY17	Q-o-Q	FY17	FY16	Y-o-Y
Income from operations	349.6	174.1	101%	266.8	31%	1,040.4	539.4	93%
Other income	18.5	1.0	1747%	15.7	18%	42.5	51.4	-17%
<b>Total Income</b>	<b>368.1</b>	<b>175.1</b>	<b>110%</b>	<b>282.5</b>	<b>30%</b>	<b>1,082.9</b>	<b>590.8</b>	<b>83%</b>
Employee cost	75.5	59.4	27%	69.8	8%	263.3	180.2	46%
Admin and other expenses	71.4	52.2	37%	49.7	44%	198.7	160.0	24%
Total Expenses	146.9	111.6	32%	119.5	23%	462.0	340.2	36%
<b>EBITDA</b>	<b>221.2</b>	<b>63.5</b>	<b>248%</b>	<b>163.0</b>	<b>36%</b>	<b>620.9</b>	<b>250.6</b>	<b>148%</b>
Interest	105.9	3.7	2747%	67.4	57%	249.0	20.9	1091%
Depreciation and amortization	3.3	1.1	201%	2.1	58%	8.9	3.4	162%
<b>Profit before tax</b>	<b>112.0</b>	<b>58.7</b>	<b>91%</b>	<b>93.5</b>	<b>20%</b>	<b>363.0</b>	<b>226.3</b>	<b>60%</b>
Provision for taxation	36.6	12.5	193%	28.3	29%	112.5	57.0	97%
<b>Profit after tax</b>	<b>75.4</b>	<b>46.2</b>	<b>63%</b>	<b>65.2</b>	<b>16%</b>	<b>250.5</b>	<b>169.3</b>	<b>48%</b>

# IIFL Wealth Management – Consolidated Balance Sheet

Year/Quarter ended March 2017



₹Cr	As at 31.03.2017	As at 31.03.2016	Y-o-Y	As at 31.12.2016	Q-o-Q
Equity Share Capital	15.6	14.8	5%	14.8	5%
Reserves and Surplus	1,508.6	1,214.5	24%	1,363.2	11%
<b>Shareholders' funds</b>	<b>1,524.2</b>	<b>1,229.3</b>	<b>24%</b>	<b>1,378.0</b>	<b>11%</b>
Minority Interest	-	-		-	
Borrowings	5,644.7	140.9	3907%	4,850.7	16%
<b>Sources of Funds</b>	<b>7,168.9</b>	<b>1,370.2</b>	<b>423%</b>	<b>6,228.6</b>	<b>15%</b>
Fixed assets	56.5	48.1	18%	57.4	-2%
Investments	1,934.3	985.8	96%	2,482.6	-22%
Gross Loans	3,616.4	100.9	3483%	2,930.9	23%
Less: NPA Provision	-	-		-	
<b>Net Loans</b>	<b>3,616.4</b>	<b>100.9</b>	<b>3483%</b>	<b>2,930.9</b>	<b>23%</b>
Net Current Assets	1,561.7	235.4	564%	757.7	106%
<b>Application of Funds</b>	<b>7,168.9</b>	<b>1,370.2</b>	<b>423%</b>	<b>6,228.6</b>	<b>15%</b>

# Leading Wealth Manager in India

Year/Quarter ended March 2017



## FASTEST

Growing Wealth Management Firm in India



## US\$ 19 BILLION

Assets under advice, distribution and custody



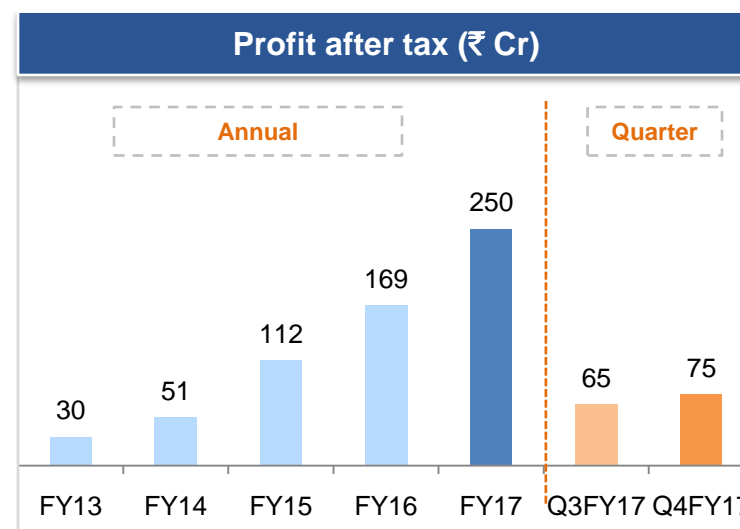
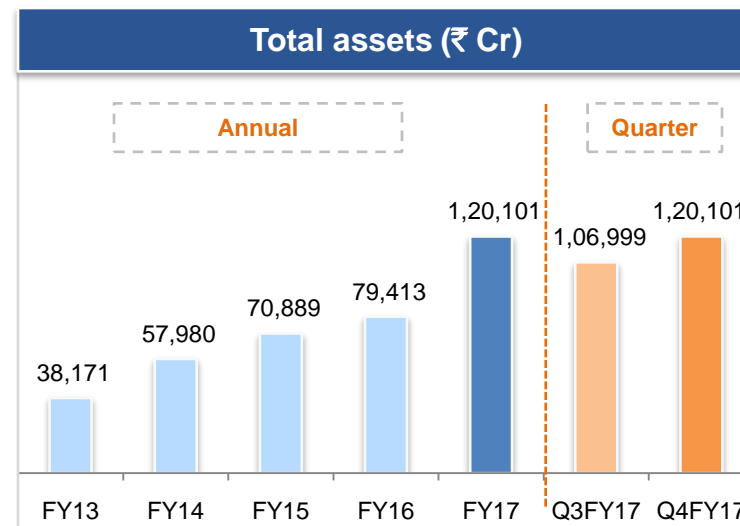
## 22 OFFICES

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 FY17:
  - 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 Wealth Management Firm, India at APAC Insider Investment Awards
  - Best Independent Wealth Management Team, India at Capital Finance International
  - Best Private Wealth Manager, India at Alternative Investment Awards

Note – Currency Conversion 1 US\$ = ₹64.8

## IIFL Wealth Key Highlights



# Growth opportunity



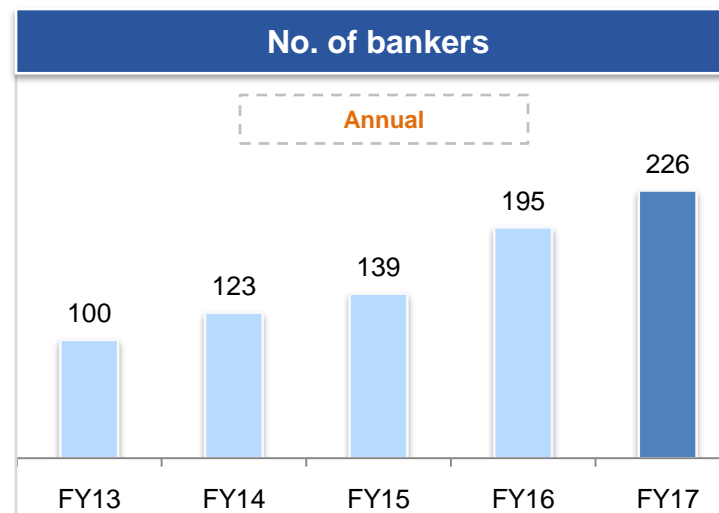
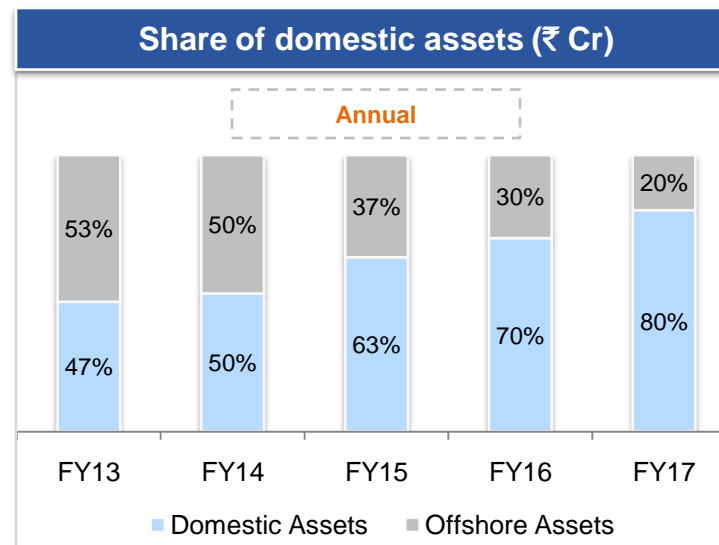
## Wealth Management in India

- 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.





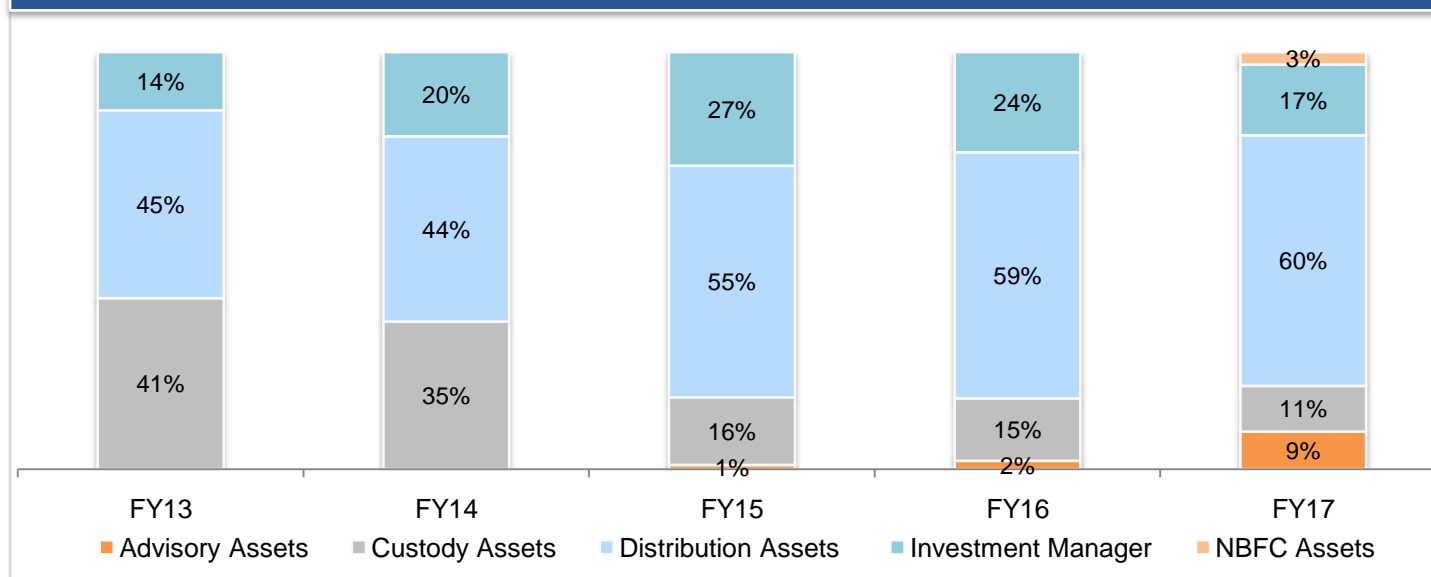
# Broadening advisory and asset management services

Year/Quarter ended March 2017

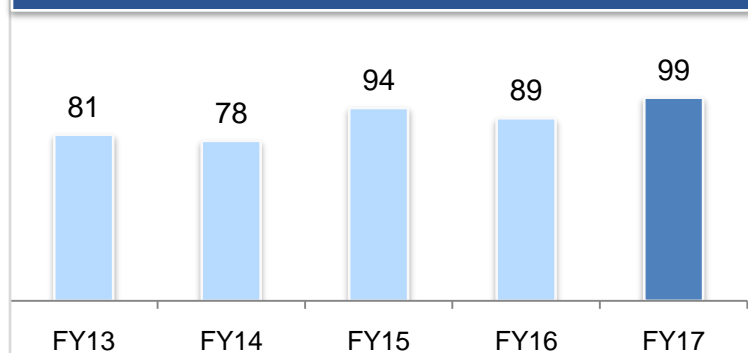


- Focus on increasing the share of fee and trail bearing assets relative to pure transaction / brokerage assets
- For the year ended March 31, 2017, the retention yield excluding custody assets stands at 99 bps
- During the quarter, the management team was further strengthened in key areas of Finance, Technology, Risk, Marketing and Sales to support growth trajectory

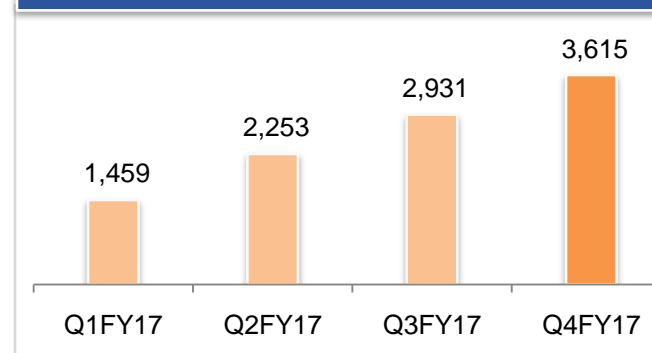
Break-up of Wealth assets (%)



Retention Yield ex-Custody Assets (bps)



Wealth NBFC assets (₹ Cr)



## 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

Year/Quarter ended March 2017



- 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 was up 22% y-o-y to `1,126 Cr. versus 48% y-o-y growth in exchange cash turnover
- Average daily F&O turnover was up 48% y-o-y to `9,198 Cr. versus 45% y-o-y growth in exchange F&O turnover
- Total average daily turnover (including F&O) was up 44% y-o-y to `10,324Cr. versus 45% y-o-y growth in exchange turnover

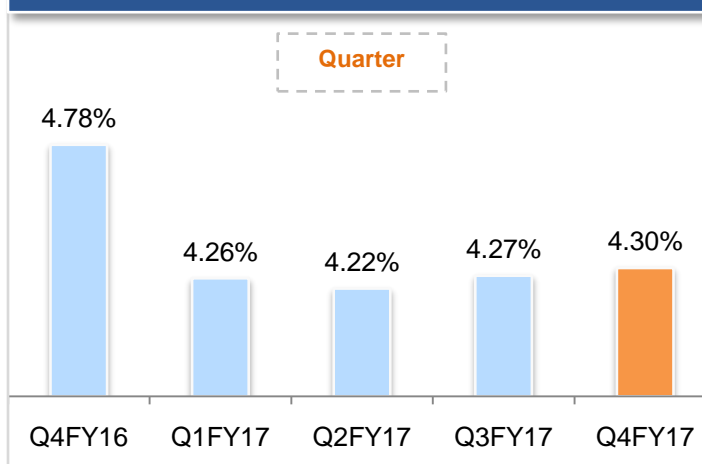
Average daily turnover – Cash (₹ Cr)



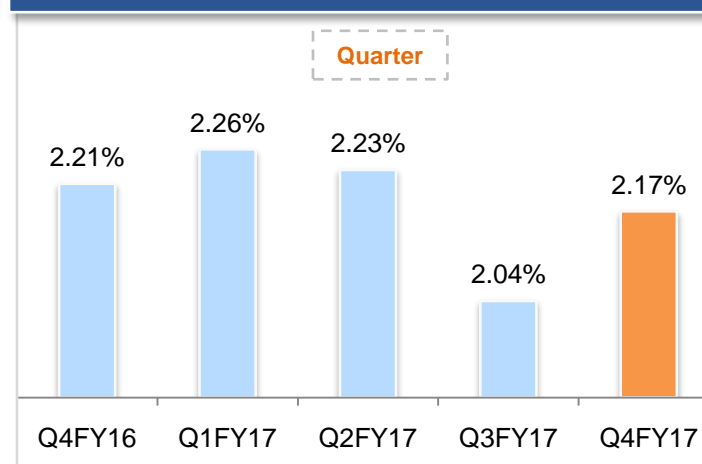
Average daily turnover - Total (₹ Cr)



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

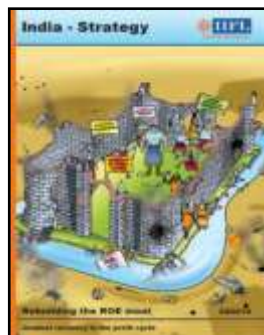


Retail Broking	Institutional Research/ Investment Banking	Financial Product Distribution
<ul style="list-style-type: none"> <li>Equity, commodities, currency broking</li> <li>Coverage of 500+ stocks</li> <li>Top rated mobile trading platform, 'IIFL Markets'</li> <li>Wide network - retail branches, franchisees, sub-brokers and online platform</li> </ul>	<ul style="list-style-type: none"> <li>Pedigreed institutional equities team comprising 25 analysts and 200+ stocks under coverage</li> <li>Known for market leading distribution franchise across every investor segment</li> <li>Stellar track record in block placements with institutional investors</li> </ul>	<ul style="list-style-type: none"> <li>Amongst the top 6 Mutual Fund distributors in the country</li> <li>Leading non-bank distributor for life insurance in the country</li> <li>Online interface and mobile application to learn, compare and buy products from different manufacturers</li> </ul>

## Backed By High Quality Research



A detailed report analyzing GCPL's journey over the years, the management's perspective and the way forward



A detailed analysis of factors that led to decline in ROE over last decade



A deep dive into the prospects for Reliance JIO and the implications for India's telecom sector



Analysis of Nestle's recent launches and the new launches done in the past.



In-depth analysis on India's largest developer – Lodha Developer's business and financial outlook

# Digitization and innovation in retail operation

Year/Quarter ended March 2017



## IIFL Markets - Highest rated (4.4) and Most downloaded stock trading app amongst peers

### FY17 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 brokerage >20% of total

### Awards won during FY17

- Silicon Valley Business Awards 2016 for Best Overall App
- Best Technological Innovation in Capital Markets Space at Zee Business Market Excellence Awards in 2016
- BSE Skoch Order of Merit Award for Innovative Deployment of Technology Within Investing Services Space

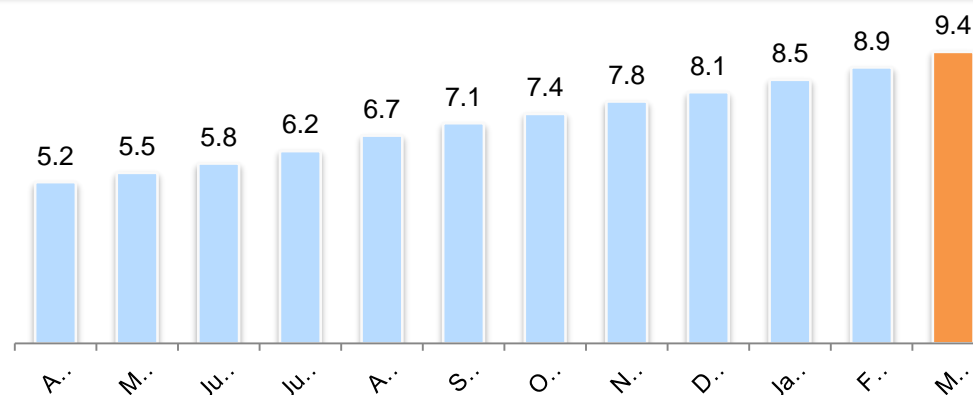
10,00,000+ downloads across platforms



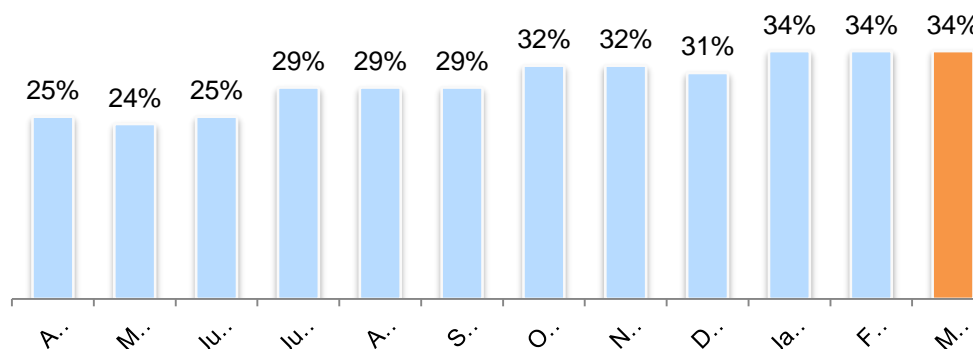
Available on



### Android downloads (in Lakh)



### Mobile trading clients (% of total)



# Investment Banking

Quarter/Year ended March 2017



- The investment banking team completed 4 transactions, including 2 QIPs, during Q4FY17; lead managed ₹4,907Cr QIP of Yes Bank
- FY2017 has been a landmark year – 21 transactions completed including 5 IPOs, the largest number of IB deals in a year.
- Involved in capital raising and advisory transactions of ~Rs.377 billion; ranked #2 in terms of amount raised through QIPs in FY2017
- Winner at Finance Asia - BEST INDIA DEAL for ICICI Prudential Life Insurance's IPO
- Robust pipeline of IB transactions across sectors in different stages of execution
- Clients value IIFL's focus and commitment and consider us as their trusted advisor

## Equity Capital Markets

<p>₹4,907Cr</p> <p>Yes Bank</p> <p>QIP</p>	<p>₹6,057Cr</p> <p>ICICI Prudential life</p> <p>IPO</p>	<p>₹1,993Cr</p> <p>Motherson Sumi</p> <p>QIP</p>	<p>₹1,213Cr</p> <p>RBL Bank</p> <p>IPO</p>	<p>₹1,005Cr</p> <p>India Infoline Finance</p> <p>Private Equity</p>
<p>₹883Cr</p> <p>Ujjivan Financial Services</p> <p>IPO</p>	<p>₹654Cr</p> <p>Dilip Buildcon</p> <p>IPO</p>	<p>₹400Cr</p> <p>Quess Corp.</p> <p>IPO</p>	<p>₹150Cr</p> <p>Deepak Nitrite</p> <p>QIP</p>	<p>₹111Cr</p> <p>Maini Precision Products</p> <p>Private Equity</p>

## Debt

<p>₹10,000Cr</p> <p>Dewan Housing Finance</p> <p>Public Issue of Secured NCD</p>	<p>₹7,000Cr</p> <p>Indiabulls Housing Finance</p> <p>Public Issue of Secured NCD</p>	<p>₹2,016Cr</p> <p>Sanmar Engineering</p> <p>Private Placement of NCD</p>	<p>₹629Cr</p> <p>SREI Infrastructure Finance</p> <p>Public Issue of Secured NCD</p>
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## **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 - India's leading integrated financial services group



Notes – (i) Income is net of interest expense (ii) Net profit is pre-minority (iii) Loan/Wealth assets as at March 31, 2017. \*Fully diluted basis.



# 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

# IIFL in 2020 - Goals and strategy



## 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

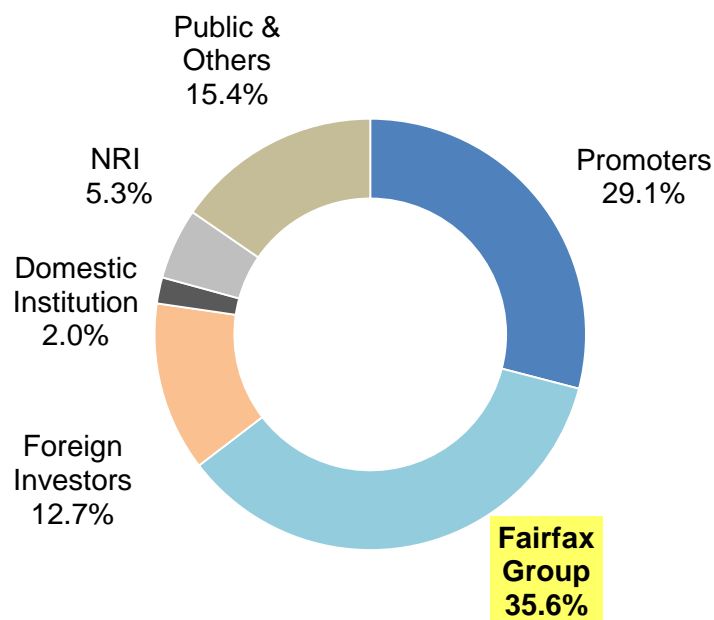
<b>Chairman</b>	<b>Nirmal Jain</b>	<b>Managing Director</b>	<b>R. Venkataraman</b>
Financing	Rajashree Nambiar	Finance	Prabodh Agrawal
Housing Finance	Monu Ratra	Compliance	R. Mohan
Wealth Management	Karan Bhagat	Company Secretary	Gajendra Thakur
Offshore Asset Management	Amit Shah	Strategy	Aniruddha 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	Administration	S. Venu

# Globally renowned investors have reposed confidence in us



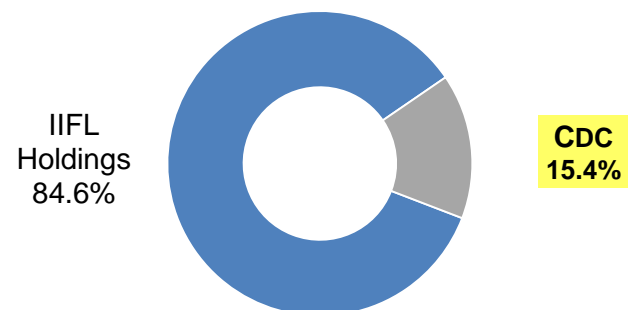
## IIFL Holdings Ltd

### Fairfax Group - Key investor in Holding Company



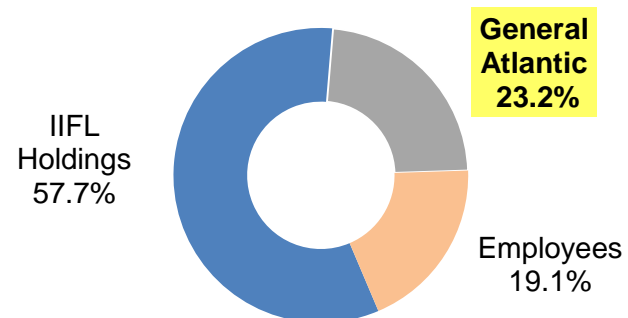
## IIFL Finance#

### CDC - Key investor in NBFC



## IIFL Wealth

### General Atlantic - Key investor in Wealth



Note - Shareholding pattern as at March 31, 2017. #Upon conversion of CDC's investment in India Infoline Finance Ltd on a fully diluted basis

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



**Finance Asia Awards**  
Deal of the Year for India



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



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



**Silicon Valley Business Awards 2016 - Best Overall App** awarded to IIFL Markets



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



**Economic Times Awards for Corporate Excellence** shortlisted IIFL in the Emerging Company of The Year Award category



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



**BSE Skoch Awards** for Innovation and Meritorious CSR



**APAC Insider – Best Wealth Management Firm, India**



**5th BFSI Innovation and Technology Summit – 2016 – Best Top 20 Project** awarded to Gold Loan Digital Transformation project



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

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# Corporate Social Responsibility

Year/Quarter ended March 2017



## Education

### ● Activities in Rajasthan

- The Community School program was scaled up significantly with 160 more schools started in Khamnor, Rajsamand and FoolwalokiNaal taking the total number of community schools to 260 which has brought over 8,000 girls back into the fold of education.

### ● Financial Literacy drives

- A unique Financial Literacy Program for Tribal women was conducted in Jawhar, Maharashtra.
- Financial Literacy programs in West Bengal and Mumbai were also scaled up to cover 10,000 women from different SHGs, 15,000 men from the unorganized sector, and 3,000 children from municipal schools respectively.

### ● Women's Day Celebrations

- On women's day IIFL Mumbai employees contributed beautiful new sarees for tribal women of Jawhar. Over 100 sarees were collected & distributed.

## Supporting education in Rajasthan



## Financial literacy drive in Jawhar



## Women's Day Celebrations



## 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 - FY17

- 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
- Bureaucracy Today - CSR Excellence Awards to IIFL Foundation and Dr. Sarika Kulkarni



# Thank you

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