



January 28, 2022

<b>The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001. BSE Scrip Code: 532636</b>	<b>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</b>
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**Sub: Revised presentation on Unaudited Financial Results for the quarter and nine months ended December 31, 2021**

Dear Sir/Madam,

This is in reference to our earlier intimation dated January 27, 2022 for the submission of press release and presentation on the unaudited financial results. Kindly note that in slide no.18 of the presentation disclosures under restructuring has been additionally incorporated.

Please find attached the revised presentation to be made to the Investors/Analysts on the unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2021.

The same has also been made available on the website of the Company, i.e. [www.iifl.com](http://www.iifl.com).

Kindly take above on record and oblige.

Thanking You,  
Yours faithfully,

For **IIFL Finance Limited**

**Sneha Patwardhan**  
**Company Secretary & Compliance Officer**

Email Id: [csteam@iifl.com](mailto:csteam@iifl.com)

Encl: as above

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

**IIFL Finance Limited**

**CIN No.: L67100MH1995PLC093797**

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## Performance review

Quarter ended December 31, 2021 (Q3FY22)

Bloomberg: IIFL IN

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IIFL Finance Limited

January 27, 2022

## I. 9MFY22 & Q3FY22 Consolidated performance overview

i. Strategy & key highlights

ii. Financial performance

iii. Asset quality

iv. Liquidity position

## II. Business segments review

## III. Digital transformation initiatives

## IV. Corporate and others

# Key highlights of quarterly results (9M and Q3FY22)



## Profit growth momentum- 9MFY22 up 69% y-o-y; Q3FY22 up 15% y-o-y

Net profit grew 69% y-o-y in 9MFY22 (9 months) to ₹867 Cr. The quarterly net profit was ₹310 Cr, up 15% y-o-y and 6% q-o-q

## Liquidity comfort at all time high at ₹9,145 Cr

As at December 2021, free cash, equivalent and undrawn lines were ₹9,145 Cr, adequate to meet not only all near term liabilities but also to fund the growth momentum

## Betting on growth- Added more than 6,000 employees in 9MFY22

Added more than 6,000 employees and commenced 554 new branches in 9MFY22. Aggressive investment in technology and branding continues, betting on growth in next 2/3 years.

## Maintaining RoE above 20% p.a., whilst funding growth

Despite large investment in growth causing spike in operating costs, annualized RoE remained above 20% and RoA above 2.5%. With ongoing expansion, operating cost grew 29% y-o-y

## Digital transformation gaining traction

Branchless channel for Gold Loan and DIY MSME loans are getting significant traction. Disbursements of DIY loans grew four- fold qoq whereas Gold Loan @ home grew 31% qoq.

## Asset quality amongst the best in the industry

Asset quality continues to be amongst the best in the peer group. The reported GNPA and NNPA were 2.8% and 1.5% as against 2.5% and 1.1% in the previous quarter, with impact of RBI clarificatory circular.

Loan AUM: ₹46,780 Cr

ROE<sup>1</sup>: 20.7%

ROA<sup>1</sup>: 2.9%

Net Profit: ₹867 Cr

Cost of funds: 8.7%

Pre-provision profit:  
₹1,747 Cr

Cost to Income: 39%

Capital Adequacy: 25.4%

Provision Coverage: 133%

<sup>1</sup> ROE and ROA are annualized Q3FY22 figures



Our 92% of loan assets are small ticket retail, backed by mortgages, gold or cash-flow to customers under-served by banks



### Home Loan

Loan AUM  
₹16,495 (35%)

*Financing affordable homes in small towns and metro suburbs, to self employed/ informal sector employees; Avg loan value ~₹17 lakhs*



### Gold Loan

Loan AUM  
₹14,606 (31%)

*Meeting emergency or short terms requirements of individuals About 70% borrowers are self employed. Minimal risk. Avg loan value ~₹0.74 lakhs.*



### Business Loan

Loan AUM  
₹7,014 (15%)

*Credit to Medium, Small and Micro Enterprises, backed by cash flows and property collateral for loans above ₹1mn. Avg loan value ~₹10.5 lakhs.*



### Microfinance

Loan AUM  
₹5,178 (11%)

*Catering to Rural self-employed women in Self Help Groups (SHGs) for income generating activities. Avg loan value ~₹0.4 lakhs.*

## Construction & Real Estate and Capital Markets

Non core product portfolio of Construction & Real Estate and Capital Markets contribute to 8% of our total loan AUM and has been on the decline.

Our 'right to win' in retail lending is built on distribution, digital technology, strong brand and balance sheet ..



## Retail Lending

*Diversified but focused on strong collateral or cash flow backed loans, in segments with robust growth potential.*

### Distribution Strength

Network of > 3000 branches; >25000 employees; supports efficient collection/ service or gold storage.

### Technology Edge

Innovative digital solutions, for industry best standards for cost to income, asset quality & cross sell volumes.

### Bank Partnership

IIFL's unique capability to source quality retail & PSL loans, for banks make a winning partnership.

### Brand Power

Brand built by over 6.5 million happy customers across India and culture of customer centricity.

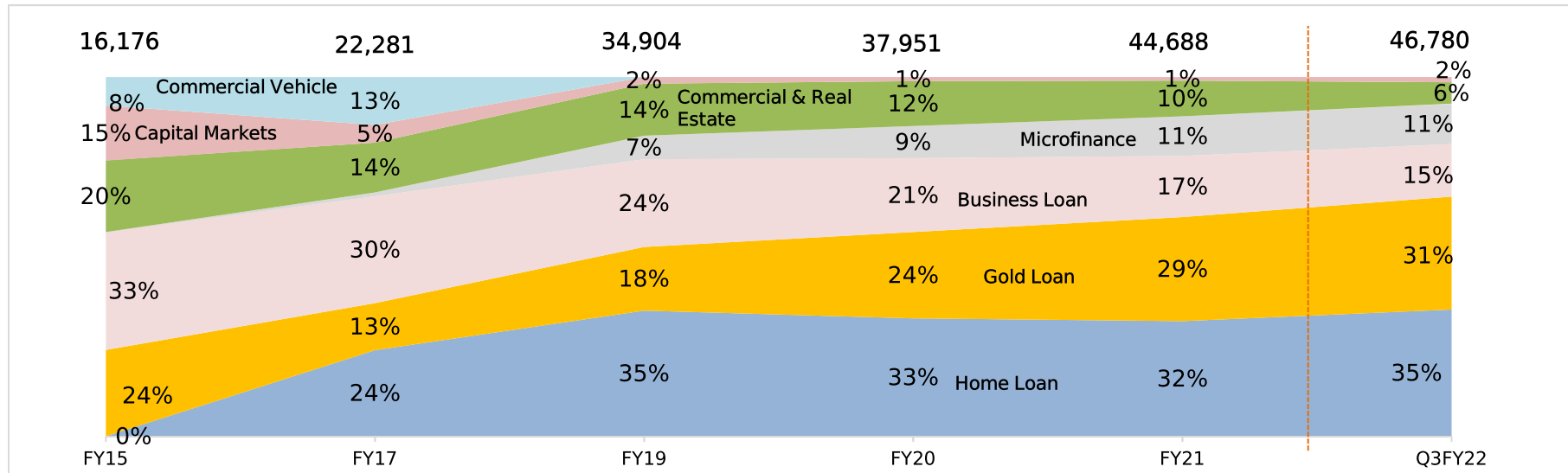
**Management Depth-** Professional team driven by owner mindset and focus on strong systems and processes. The function heads typically have 15-20 years' experience with leading financial institutions.

**Robust Financials-** Strong balance sheet reform, consistent resulting profits and growth with conservative approach to risk taking. IIFL Finance (standalone) ROE and CRAR are above 20% and 25% respectively.

# Our loans are predominantly retail and granular



Loan AUM (₹Cr): Diversified portfolio mitigates risk of asset concentration and cyclical gyration



Q3FY22	% AUM Share	AUM (₹ Cr)	Y-o-Y Growth (%)	Q-o-Q Growth (%)	Portfolio Yield%	Portfolio average Ticket Size (₹ Lakhs)
Home Loans	35%	16,495	23%	5%	10.1%	16.8
Gold Loans	31%	14,606	20%	7%	17.4%	0.7
Business Loans	15%	7,014	(10%)	0%	15.3%	10.5
Microfinance	11%	5,178	32%	14%	22.0%	0.3
Construction & Real Estate	6%	2,783	(36%)	2%	14.9%	3,128.3
Capital Market Finance	2%	704	21%	4%	11.8%	119.9
<b>Total</b>	<b>100%</b>	<b>46,780</b>	<b>11%</b>	<b>6%</b>	<b>14.8%</b>	

## Quarterly Profits (Consolidated) up 15% yoy, driven by income growth of 16%



₹ Cr	Q3FY22	Q3FY21	Y-o-Y	Q2FY22	Q-o-Q
Interest income	1,412.0	1,184.5	19%	1,342.3	5%
Interest expense	(772.8)	(611.3)	26%	(744.1)	4%
<b>Net interest income</b>	<b>639.2</b>	<b>573.2</b>	<b>12%</b>	<b>598.2</b>	<b>7%</b>
Income from assigned assets	310.2	208.2	49%	265.6	17%
Fee & other income	121.4	137.9	(12%)	105.6	15%
<b>Total income</b>	<b>1,070.8</b>	<b>919.3</b>	<b>16%</b>	<b>969.3</b>	<b>10%</b>
Operating expense	(420.7)	(303.9)	38%	(387.6)	9%
<b>Pre provision operating profit</b>	<b>650.2</b>	<b>615.4</b>	<b>6%</b>	<b>581.7</b>	<b>12%</b>
Loan losses & provision	(255.9)	(267.2)	(4%)	(210.2)	22%
<b>Profit before tax and exceptional items</b>	<b>394.3</b>	<b>348.2</b>	<b>13%</b>	<b>371.5</b>	<b>6%</b>
<b>Profit after tax</b>	<b>309.9</b>	<b>268.5</b>	<b>15%</b>	<b>291.6</b>	<b>6%</b>
<b>Total Comprehensive Income(TCI)</b>	<b>320.1</b>	<b>231.4</b>	<b>38%</b>	<b>289.4</b>	<b>11%</b>
Book value per share (₹)	160.5	135.8		152.5	
Earnings per share (₹ not annualized)	8.2	7.1		7.7	
RoE (annualized)	20.7%	21.4%		20.5%	
RoA (annualized)	2.9%	3.0%		2.8%	

## 9M FY22 Profits (Consolidated) up 69% yoy, driven by income growth of 20%



₹ Cr	9MFY22	9MFY21	Y-o-Y	FY21
Interest income	3,999.3	3,454.8	16%	4,719.2
Interest expense	(2,217.8)	(1,927.7)	15%	(2,608.3)
<b>Net interest income</b>	<b>1,781.5</b>	<b>1,527.1</b>	<b>17%</b>	<b>2,110.9</b>
Income from assigned assets	816.6	612.0	33%	852.8
Fee & other income	272.6	256.4	6%	399.9
<b>Total income</b>	<b>2,870.8</b>	<b>2,395.5</b>	<b>20%</b>	<b>3,363.6</b>
Operating expense	(1,123.3)	(872.6)	29%	(1,190.2)
<b>Pre provision operating profit</b>	<b>1,747.5</b>	<b>1,522.9</b>	<b>15%</b>	<b>2,173.4</b>
Loan losses & provision	(631.1)	(838.7)	(25%)	(1,168.6)
<b>Profit before tax and exceptional items</b>	<b>1,116.4</b>	<b>684.2</b>	<b>63%</b>	<b>1,004.8</b>
<b>Profit after tax</b>	<b>867.3</b>	<b>513.0</b>	<b>69%</b>	<b>760.8</b>
Total Comprehensive Income(TCI)	859.2	466.7	84%	736.5
Book value per share (₹)	160.5	135.8		138.7
Earnings per share (₹ not annualized)	22.9	13.5		20.1
RoE (annualized)	20.3%	14.0%		15.3%
RoA (annualized)	2.8%	1.9%		2.0%

## Quarterly income analysis- Non fund income at 38%, covering more than 90% of operating costs

₹ Cr	Q3FY22	Q3FY21	Y-o-Y	Q2FY22	Q-o-Q
Loan book using risk capital	30,380	27,692	10%	28,874	5%
Securitized book	3,191	3,201	0%	3,987	(20%)
<b>Loan Book (Ind AS Balance sheet)</b>	<b>33,571</b>	<b>30,893</b>	<b>9%</b>	<b>32,861</b>	<b>2%</b>
Assigned assets	13,209	11,371	16%	11,388	16%
Assets under management	46,780	42,264	11%	44,249	6%
₹ Cr	Q3FY22	Q3FY21	Y-o-Y	Q2FY22	Q-o-Q
Interest income	1,412.0	1,184.5	19%	1,342.3	5%
Interest expense	(772.8)	(611.3)	26%	(744.1)	4%
<b>NII at Ind AS balance sheet loan book (A)</b>	<b>639.2</b>	<b>573.2</b>	<b>12%</b>	<b>598.2</b>	<b>7%</b>
Income from assigned assets	310.2	208.2	49%	265.6	17%
Other Income (Fee and commission income)	82.5	77.6	6%	79.6	4%
<b>Non-fund based income (B)</b>	<b>392.7</b>	<b>285.8</b>	<b>37%</b>	<b>345.2</b>	<b>14%</b>
Net gain/(loss) on fair value changes (C)	38.9	60.3	(36%)	26.0	50%
<b>Total Income (A)+(B)+(C)</b>	<b>1,070.8</b>	<b>919.3</b>	<b>16%</b>	<b>969.3</b>	<b>10%</b>
<b>Fund Based: Non fund based ratio (%)</b>					
Fund based income	62%	67%		63%	
Non-fund based income	38%	33%		37%	

# IIFL Finance – Consolidated Balance sheet

Unaudited as at December 31, 2021 (NBFC, HFC and MFI)



ASSETS		₹ Cr	LIABILITIES AND EQUITY		₹ Cr
<b>1</b>	<b>Financial Assets</b>		<b>1</b>	<b>Financial Liabilities</b>	
(a)	Cash and Bank Balances	5,735	(a)	Payables	192
(b)	Receivables	223	(b)	Borrowings	
(c)	Loan Assets	33,397		- NCDs	10,622
(d)	Investments	1,083		- Others	23,048
(e)	Other financial assets	852	(c)	Other financial liabilities	2,623
	<b>Total Financial Assets (A)</b>	<b>41,290</b>		<b>Total Financial Liabilities (A)</b>	<b>36,485</b>
<b>2</b>	<b>Non-Financial Assets</b>		<b>2</b>	<b>Non-Financial Liabilities (B)</b>	<b>224</b>
(a)	Current & Deferred tax assets (Net)	551			
(b)	Property, Plant and Equipment etc.	756	<b>3</b>	<b>Equity (C)</b>	<b>76</b>
(c)	Other non-financial assets	374	<b>4</b>	<b>Reserves (D)</b>	<b>6,186</b>
	<b>Total Non-Finance Assets (B)</b>	<b>1,681</b>			
	<b>Total Assets (A)+(B)</b>	<b>42,971</b>		<b>Total Liabilities and Equity (A)+(B)+(C)+(D)</b>	<b>42,971</b>

## IIFL Finance – Key Ratios

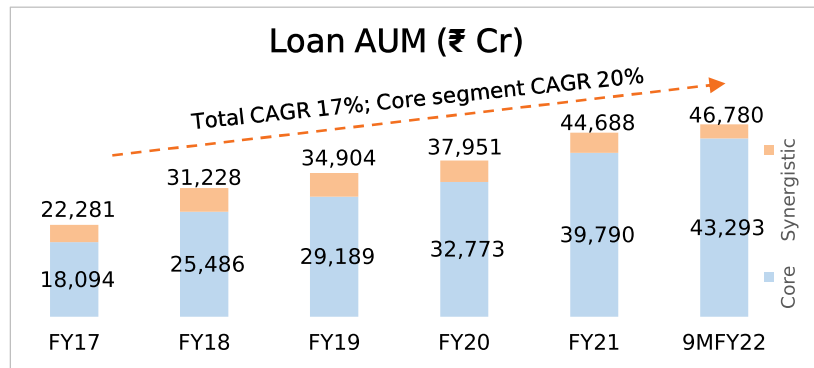


Particulars	Q3FY22	Q3FY21	Q2FY22	9MFY22	9MFY21
NIM on Balance Sheet Assets	7.3%	7.4%	7.0%	6.9%	6.9%
NIM on Assigned Assets	6.3%	6.0%	6.6%	6.6%	6.4%
Cost-to-income	39.3%	33.1%	40.0%	39.1%	36.4%
Core PPOP/ Average AUM	5.2%	5.3%	5.0%	4.9%	4.7%
Provisions/ Core PPOP	41.9%	48.1%	37.8%	37.6%	59.3%
Provisions/ Average Loan Book	2.9%	3.5%	2.5%	2.5%	3.8%
Return on assets	2.9%	3.0%	2.8%	2.8%	1.9%
Return on equity	20.7%	21.4%	20.5%	20.3%	14.0%
Debt Equity Ratio	5.4	5.6	5.6	5.4	5.6
Earnings Per Share (₹)	32.7	28.4	30.8	30.5	18.1
Book Value Per Share(₹)	160.5	135.8	152.5	160.5	135.8

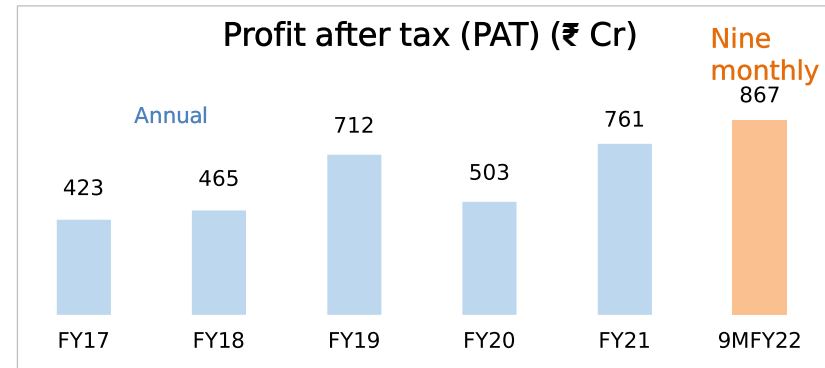
The figures are annualised wherever applicable  
 Core PPOP : Pre Provision Operating Profit excluding fair value gain/loss



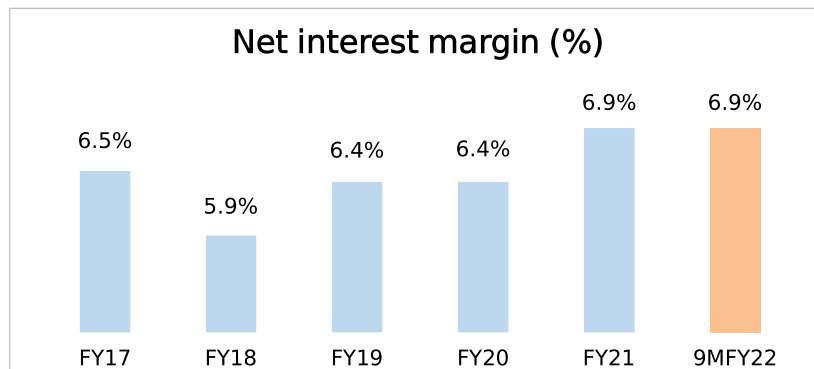
# Consistent financial performance and growth over the years



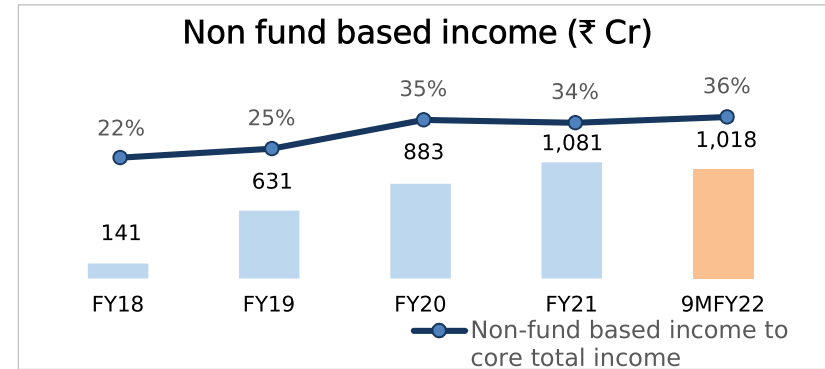
In Q3FY22, loan AUM has grown for core products at 6% q-o-q, driven mainly by small ticket home loan, gold loan and microfinance loan



PAT for 9MFY22 grew by 69% y-o-y, driven by volume growth and lower credit costs.



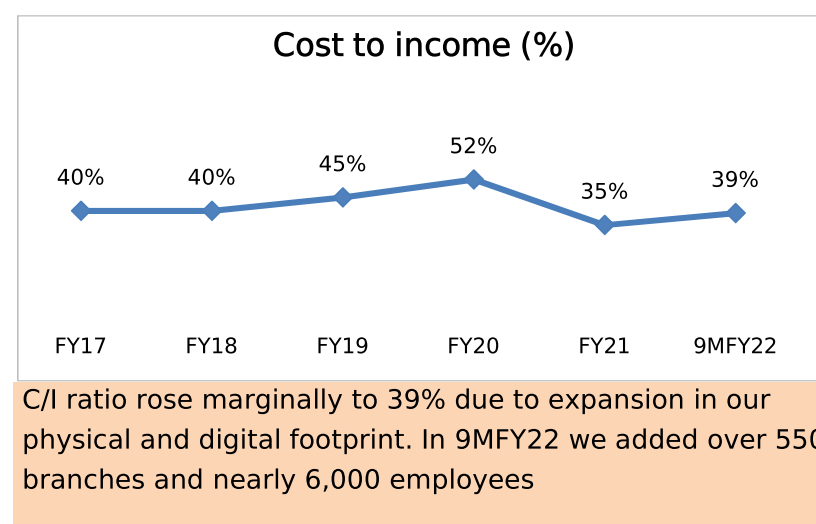
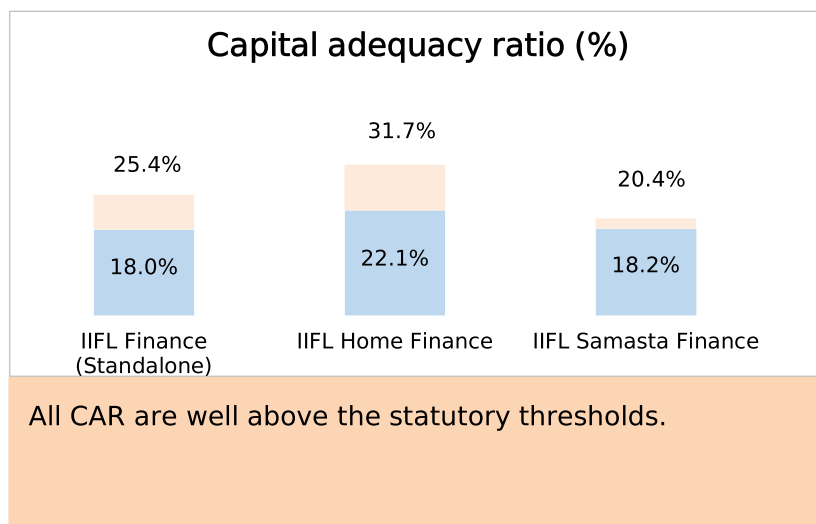
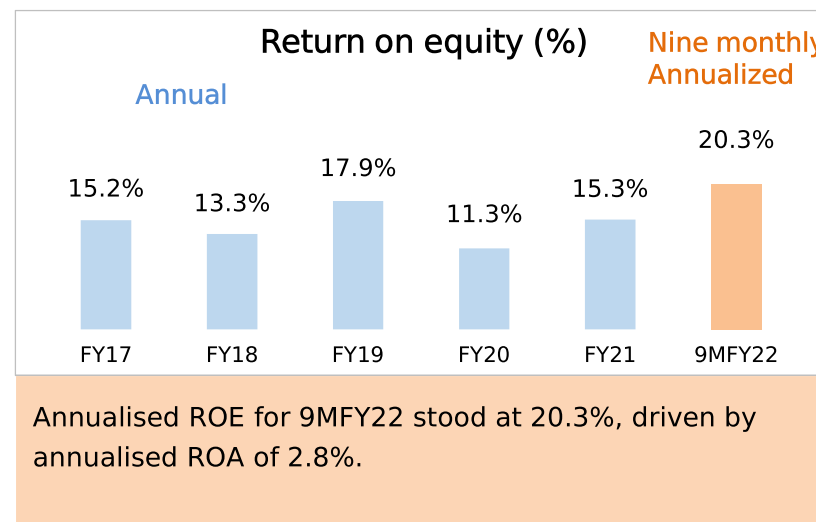
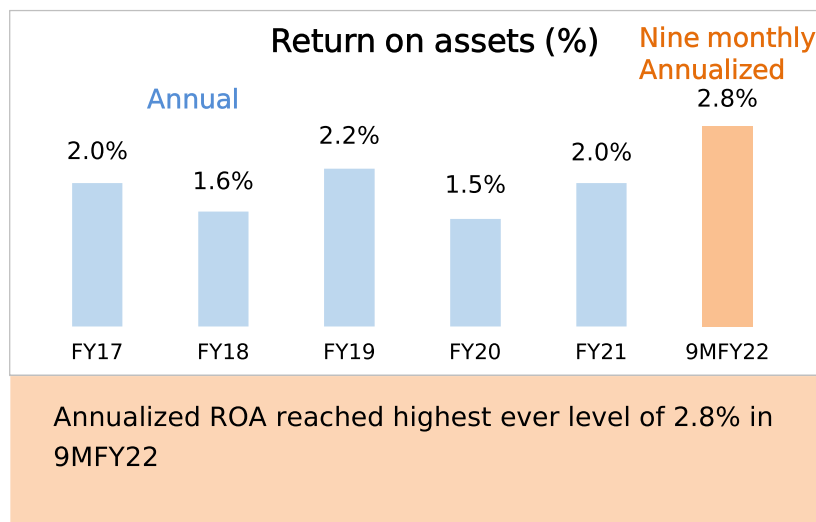
NIM on balance asset increased to 6.9% (annualized), aided by lower cost of funds and favorable product mix



Non-fund based income are majorly income from assigned assets and fee income, Non-fund based income maintained at a healthy 35%+

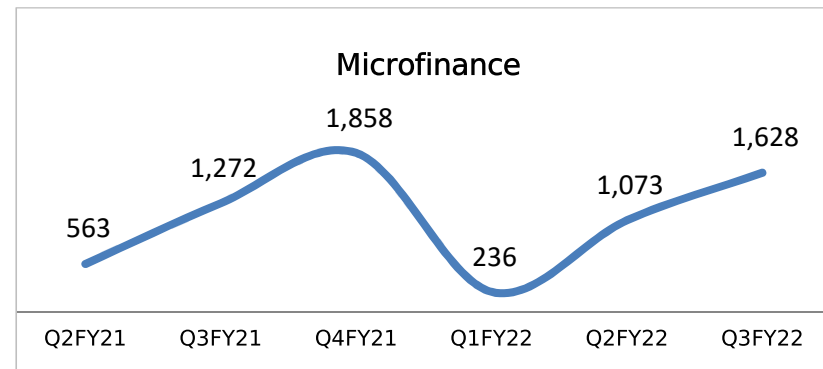
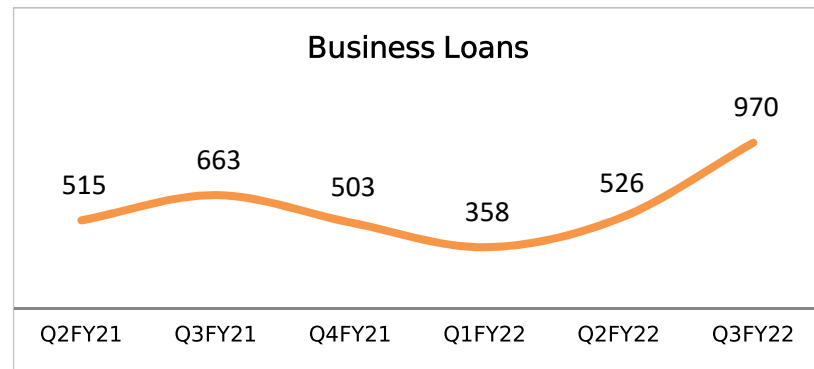
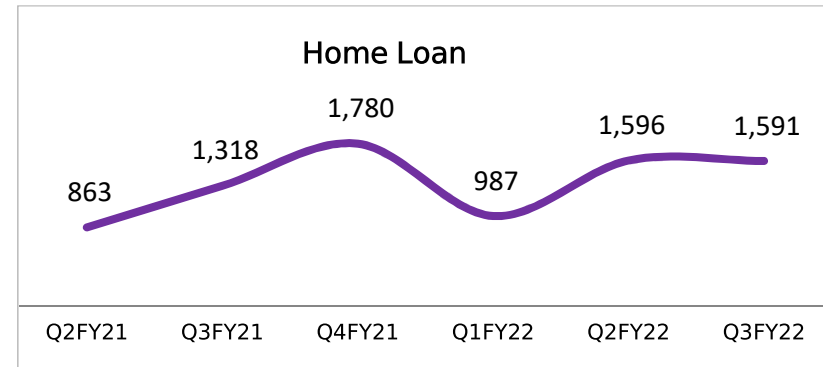
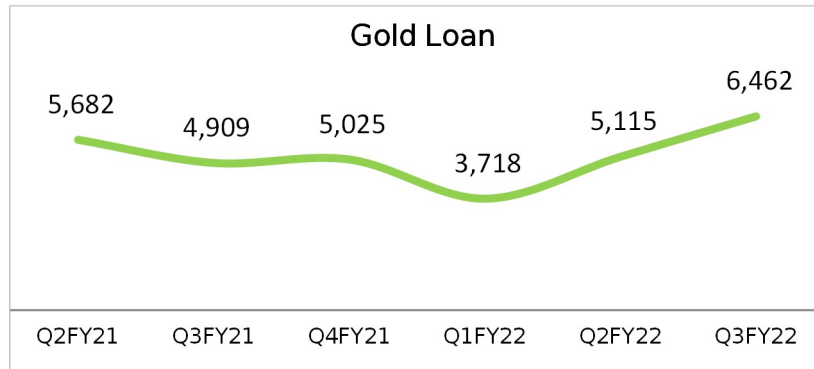
• Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

# Robust and improving financial position

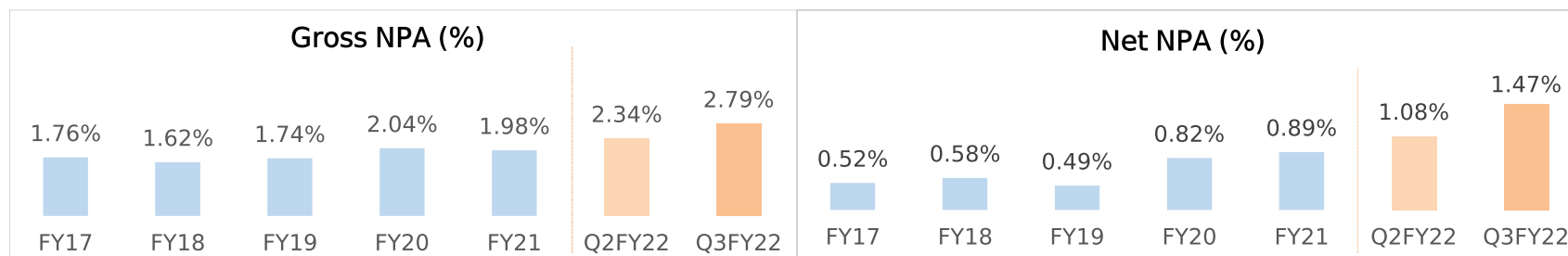


• Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

# Disbursements have picked up post the second wave of Covid..

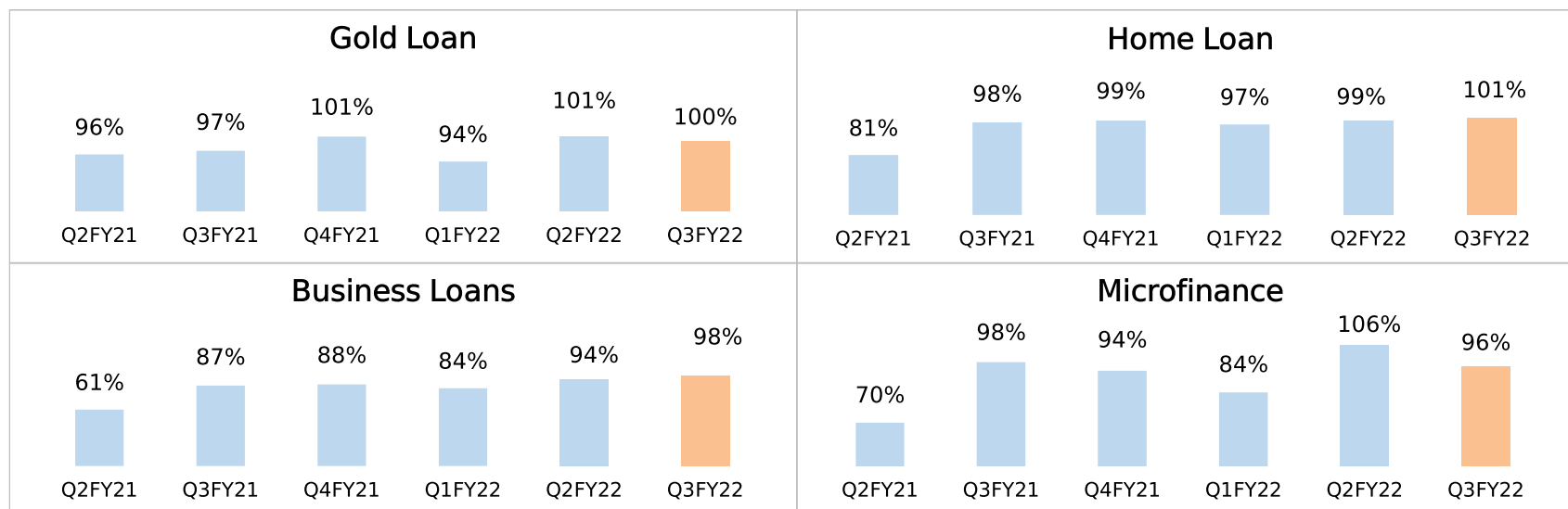


# Superior asset quality maintained through cycles



- GNPA stands at 2.8% and NNPA at 1.5%, higher than previous quarter. GNPA and NNPA includes impact on account of RBI notification dated 12<sup>th</sup> November, 2021.
- As per Ind AS accounting, provision coverage of NPAs was 133%.

## Collection Efficiency trends<sup>1</sup> (%) – moratorium period from Mar-Aug 2020



- Collection efficiency has improved. MFI collection efficiency shows a marginal dip since Q2FY22 included higher arrear collection of earlier quarters.

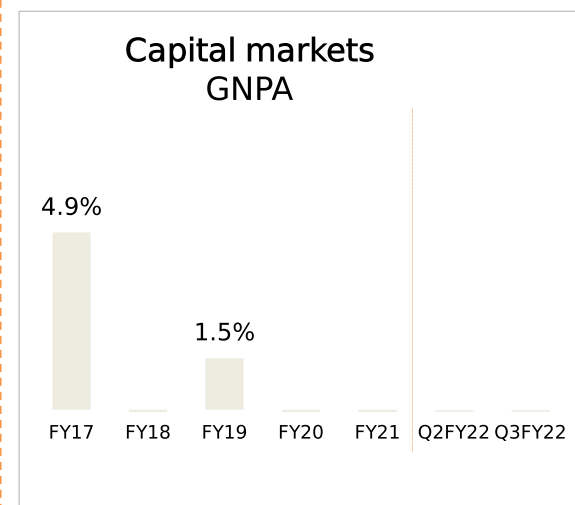
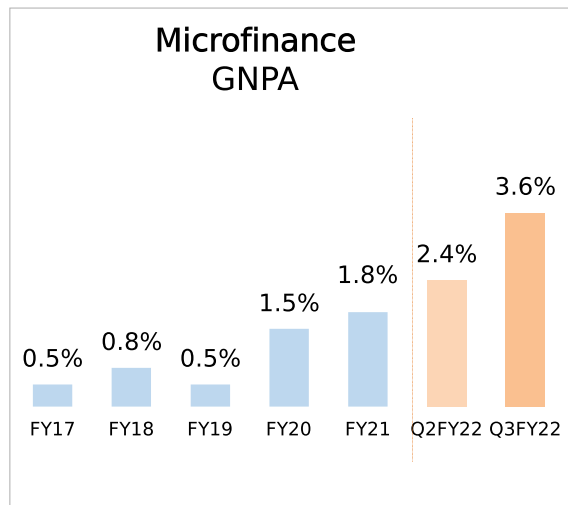
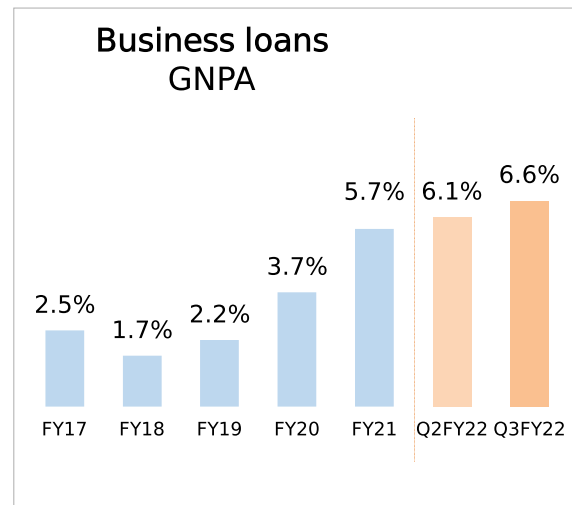
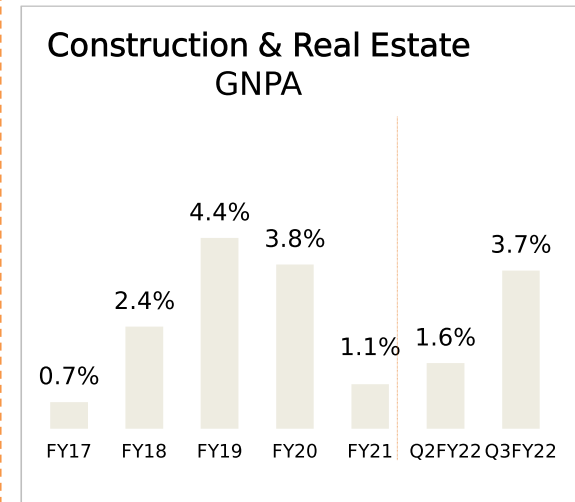
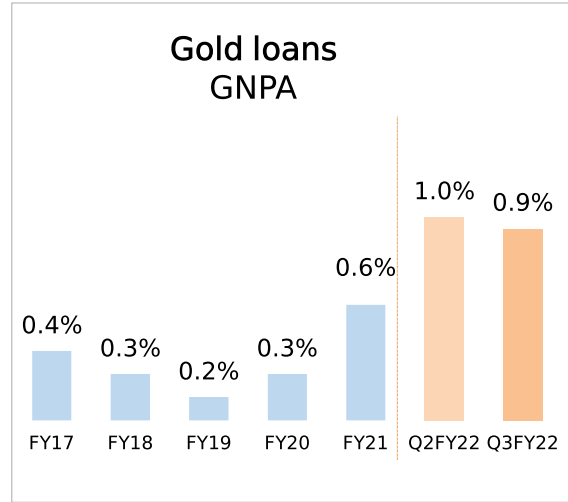
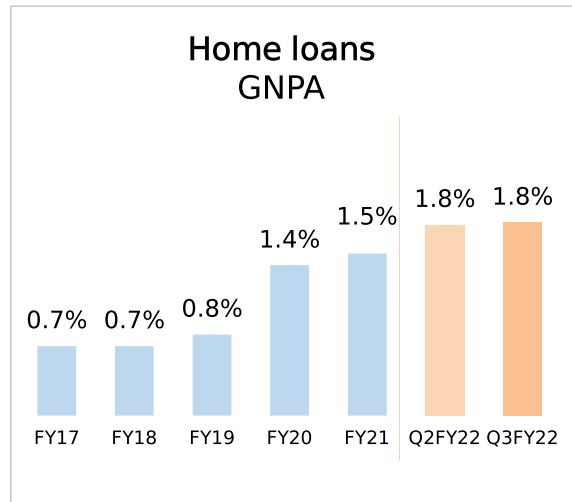
Note: FY18 onwards numbers are as per IND AS. Prior years' numbers are as per IGAAP

<sup>1</sup>Including arrears but excluding prepayments

# Asset quality across core segments amongst best in the industry



## CORE GROWTH SEGMENTS



## NON-CORE SEGMENTS

Note:

(i) Gross NPAs for FY18 onwards are as per IndAS (include securitized assets); other numbers are as per IGAAP

# Conservative provisioning across all segments

As at December 31, 2021 (NBFC, HFC and MFI)



₹ Cr

Business loan book	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Provision	
	0-30 dpd	31-90 dpd	90+ dpd		Provision %			As per RBI	As per ECL
Home Loans	10,324.3	425.6	194.1	10,944.0	1.4%	7.2%	39.0%	114.6	254.2
Business Loans	4,699.0	839.8	344.6	5,883.5	1.9%	11.6%	57.3%	142.5	384.0
Gold Loans	7,372.1	1,126.2	80.0	8,578.3	0.7%	1.7%	21.0%	47.0	86.6
Microfinance	4,031.9	521.8	124.0	4,677.6	3.4%	4.3%	100.0%	102.9	284.8
Construction & Real Estate	2,425.3	255.9	102.1	2,783.4	5.6%	19.4%	26.5%	68.6	213.3
Capital Market Finance	547.5	156.4	-	703.8	0.4%	13.4%	-	17.8	23.3
<b>Total</b>	<b>29,400.2</b>	<b>3,325.7</b>	<b>844.8</b>	<b>33,570.6</b>	<b>1.9%</b>	<b>7.2%</b>	<b>52.2%</b>	<b>493.5</b>	<b>1246.3</b>

Dpd: Days past due

ECL: Expected credit loss

Including the impact of RBI circular dated 12<sup>th</sup> November, 2021 GNPA stood at ₹ 935.5 Cr. Provision as per RBI includes the impact of RBI circular dated 12<sup>th</sup> November 2021.

# Restructuring & ECL Provision Movement

As at December 31, 2021 (NBFC, HFC and MFI)



₹ Cr

## ECL Provision Movement:

Business	Loan Loss Provisions			
	Opening Provision (A)	Net Addition (B)	Net Release (C)	Closing Provision (A+B+C)
Home Loans	242.2	26.1	(14.0)	254.2
Business Loans	410.4	22.0	(48.3)	384.0
Gold Loans	92.3	0.5	(6.2)	86.6
Microfinance	257.4	35.4	(8.0)	284.8
Capital Market Finance	20.5	2.8	-	23.3
Construction & Real Estate / Others	324.2	169.1	(280.0)	213.3
<b>Total</b>	<b>1,347.0</b>	<b>255.9</b>	<b>(356.5)</b>	<b>1,246.3</b>

## Restructured Book Movement:

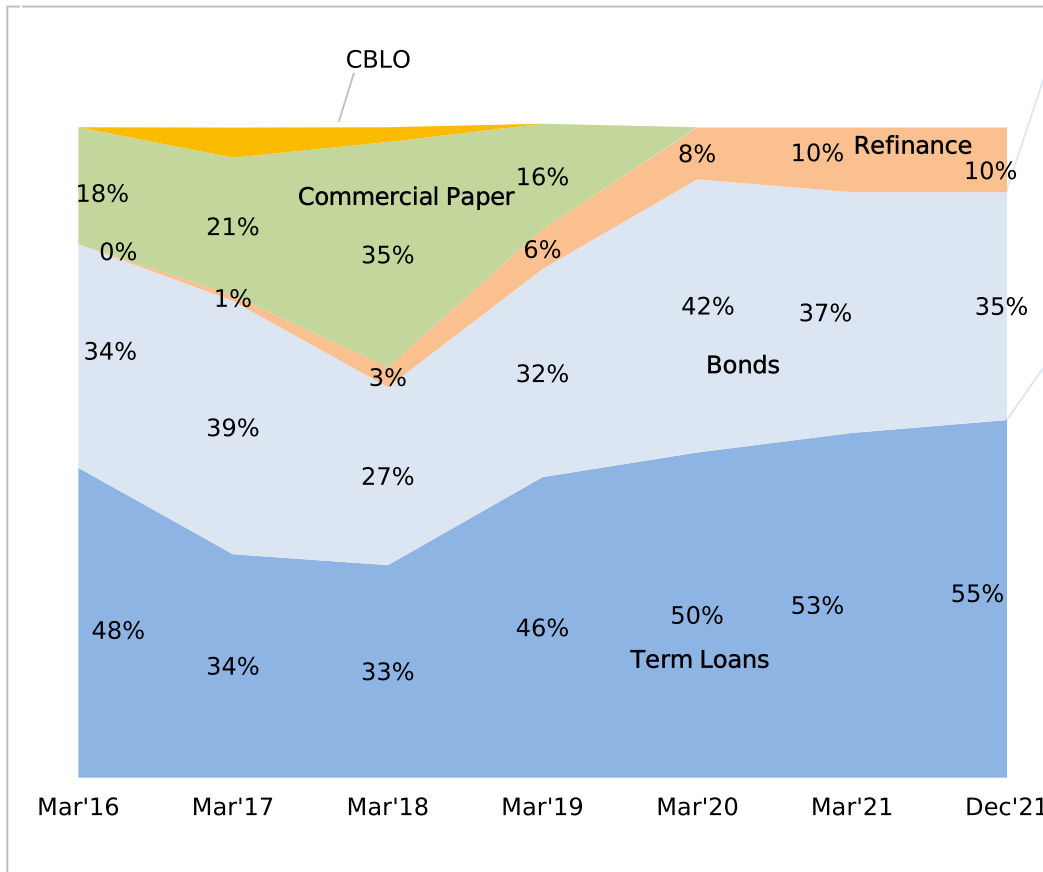
Business	Active Restructured Book Movement Q3FY22			
	As on 30th Sep 2021 (A)	Addition during the quarter (B)	Out of Restructuring /Repayment (C)	As on 31st Dec 2021 (A+B+C)
Home Loans	165.2	101.8	(67.5)	199.5
Business Loans	313.3	57.5	(104.9)	265.9
Gold Loans	-	-	-	-
Microfinance	376.0	-	(76.0)	300.1
Capital Market Finance	-	-	-	-
Construction & Real Estate / Others	172.8	-	(0.8)	172.0
<b>Total</b>	<b>1,027.4</b>	<b>159.2</b>	<b>(249.1)</b>	<b>937.5</b>

# Well diversified sources of funding..

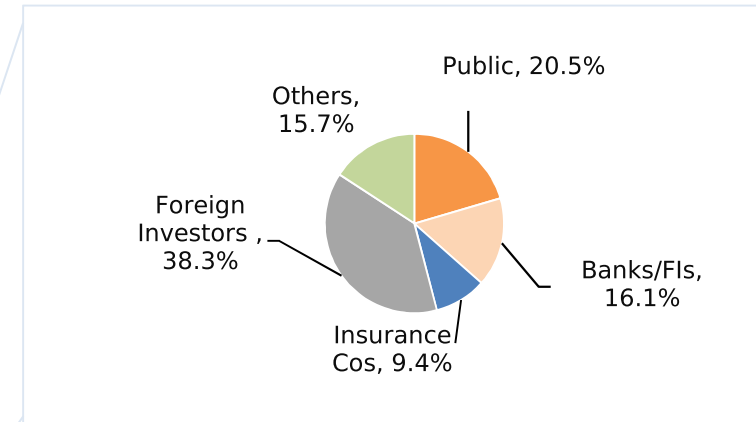


Resource profile is well diversified, with increasing share of bank loans

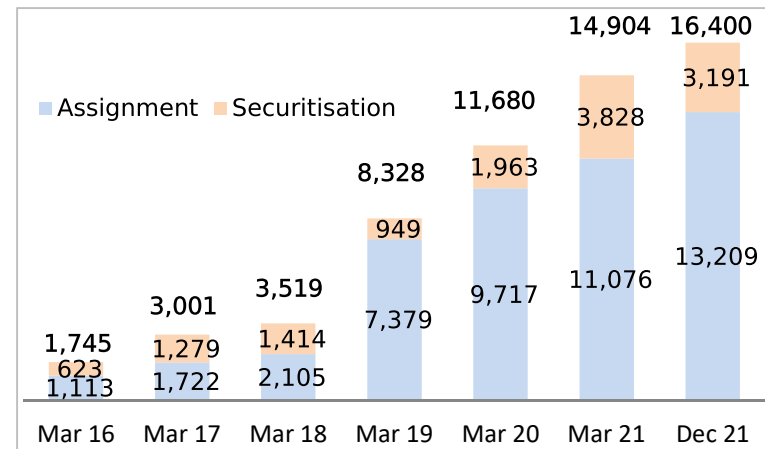
Outstanding borrowing (₹ Cr)						
15,395	17,982	24,539	26,141	25,734	28,426	30,487



Bonds/NCDs investors split (%)



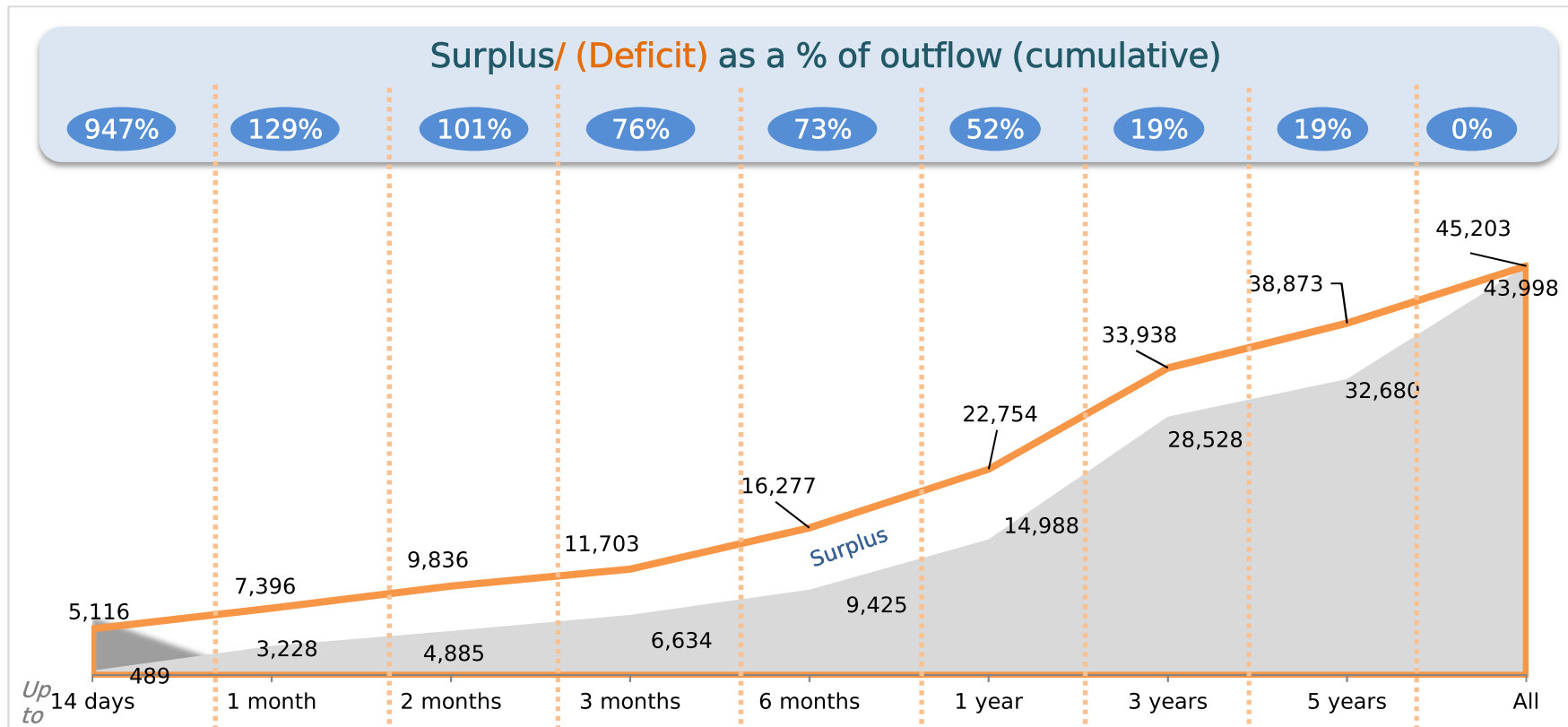
Outstanding assignment/securitisation (₹ Cr)





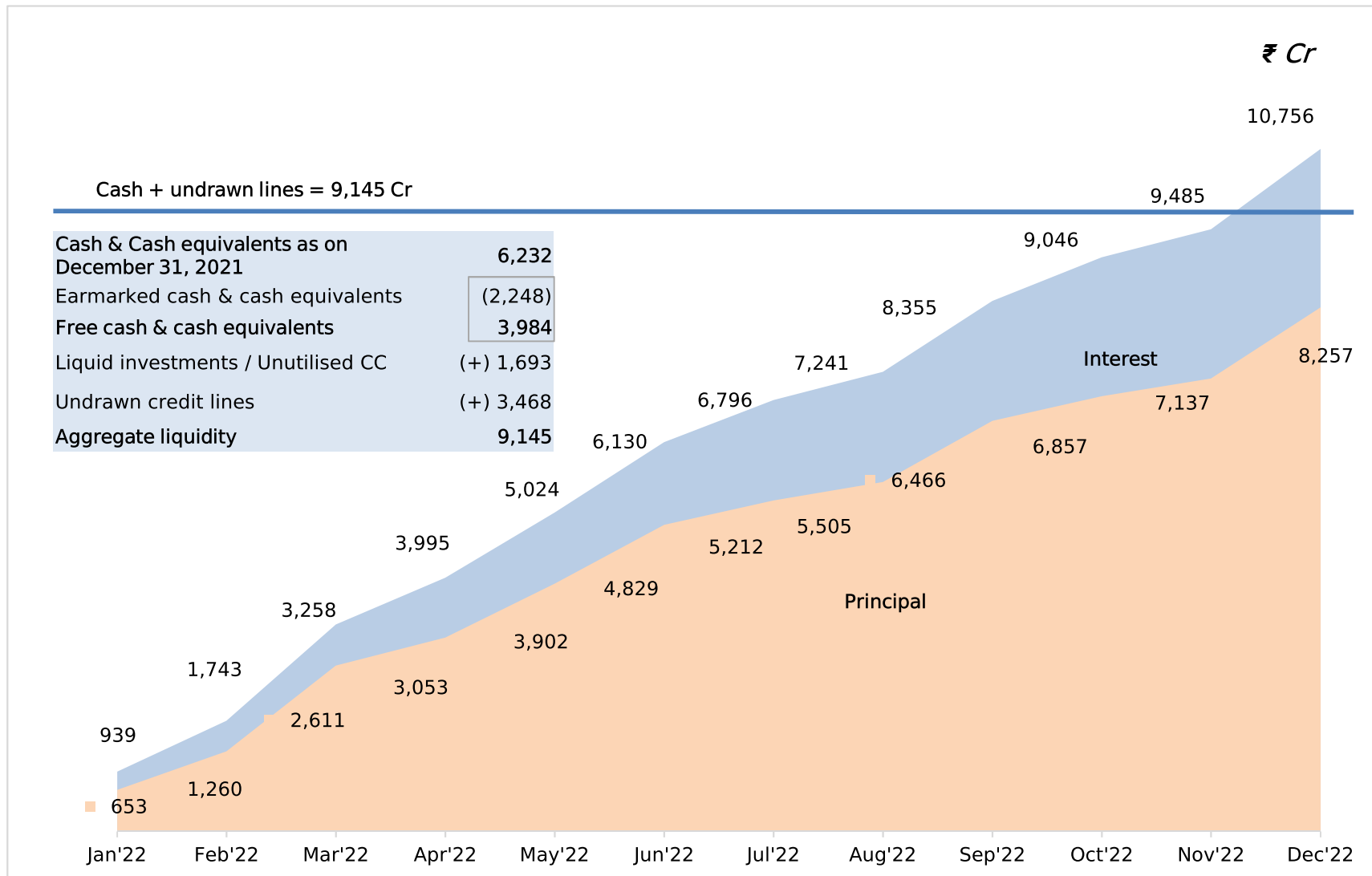
# Structural Liquidity- Surplus across all buckets

₹ Cr

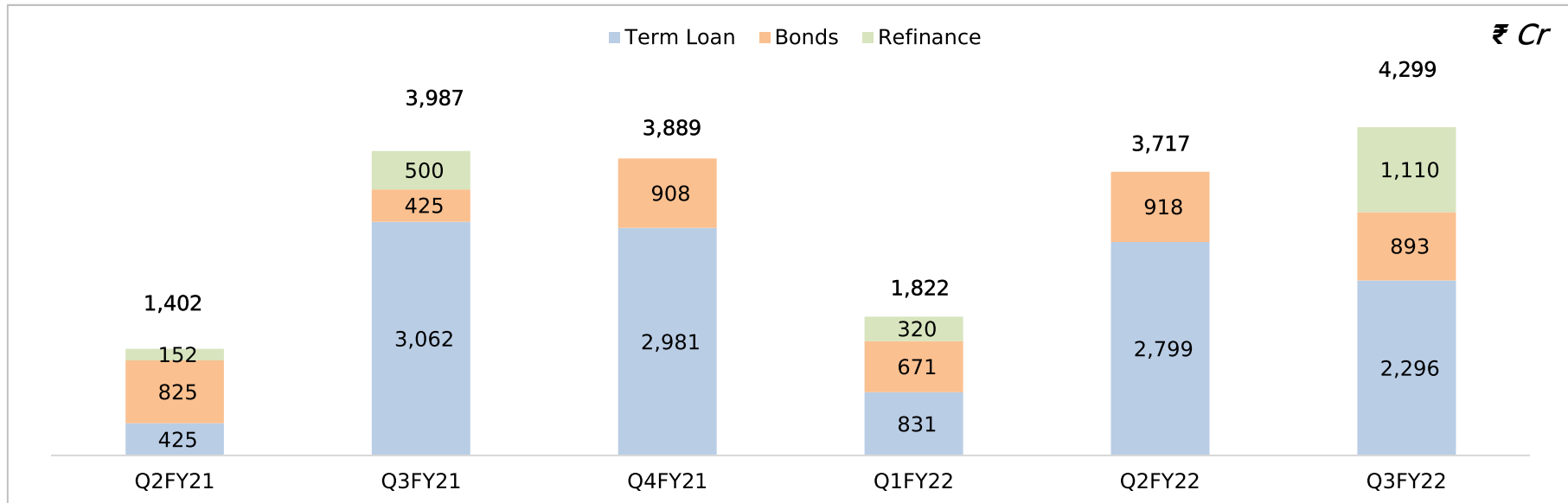


This ALM chart shows structural liquidity at consolidated level for IIFL Finance & its subsidiaries. This is prepared broadly based on RBI format, assuming static balance sheet position, not taking into account fresh disbursements. The inflows consider collection of only standard assets, excluding assigned assets as per IndAS, basis behavioral pattern applied conservatively. It takes only encumbrance free bank FDs and for outflows, operating expenses and liabilities.

# Debt repayment obligation schedule, well covered



# Debt resource raising trend



## CRISIL long term rating at AA (Stable)

CRISIL maintains rating at AA (Stable) for IIFL Finance Ltd as well as IIFL Home Finance.

## Raised refinance of ₹ 1,110 Cr

During the quarter we raised refinance of ₹1,110 Cr., out of which ₹ 850 Cr was from National Housing Bank (NHB).

## Raised ₹3,600 Cr from assignment/ securitisation

During the quarter, IIFL raised ~₹ 3,600 Cr through securitized/ assigned loans.

## Raised ₹2,250 Cr from banks

During the quarter, IIFL successfully tapped long term funds from banks ~₹2,250 crores.

I. 9MFY22 & Q3FY22 Consolidated performance overview

II. Business segments review

i. Home loans

ii. Business Loans

iii. Gold Loans

iv. Microfinance

v. Construction & Real Estate and Capital Markets

III. Digital transformation initiative

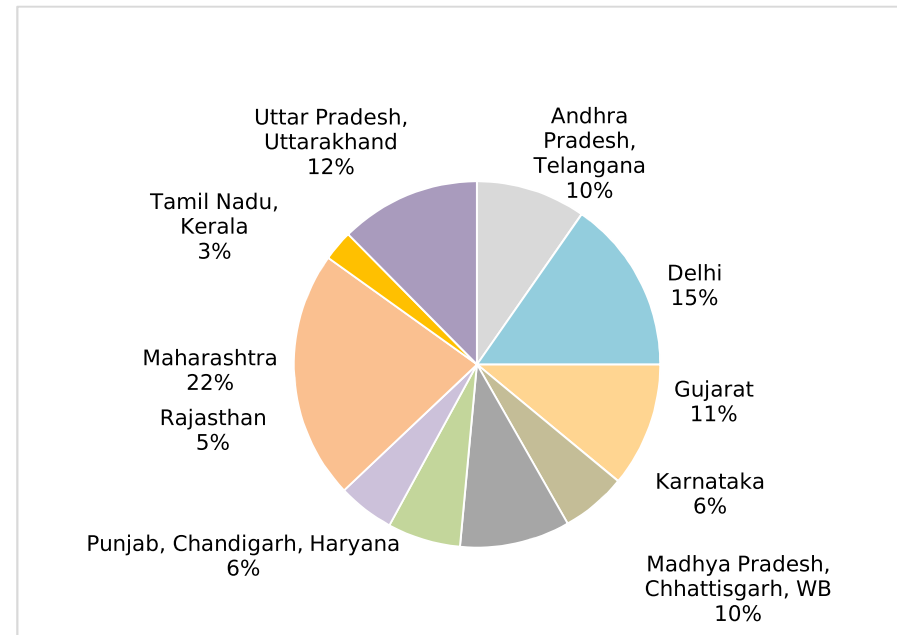
IV. Corporate and others

# Home loans – product overview



- ✓ Primary focus on **affordable** and non-metro customers. 86% of outstanding home loans were to customers under PSL category.
- ✓ Target segment is salaried and self –employed profile with focus is on first time home buyers.
- ✓ Business strategy aligned with government mission of “Housing for All “ through **CLSS subsidy**. Benefit of ₹ 1,184+ Cr has been given to over 49,500+ customers.
- ✓ **100% home loans** are on-boarded and decisioned through **digital platform** thereby reducing operating cost and credit cost.

Distribution of AUM as at December 31, 2021 (₹ Cr)



**AUM**  
₹ 16,495 Cr

**Gross / Net NPA**  
1.8% / 1.1%

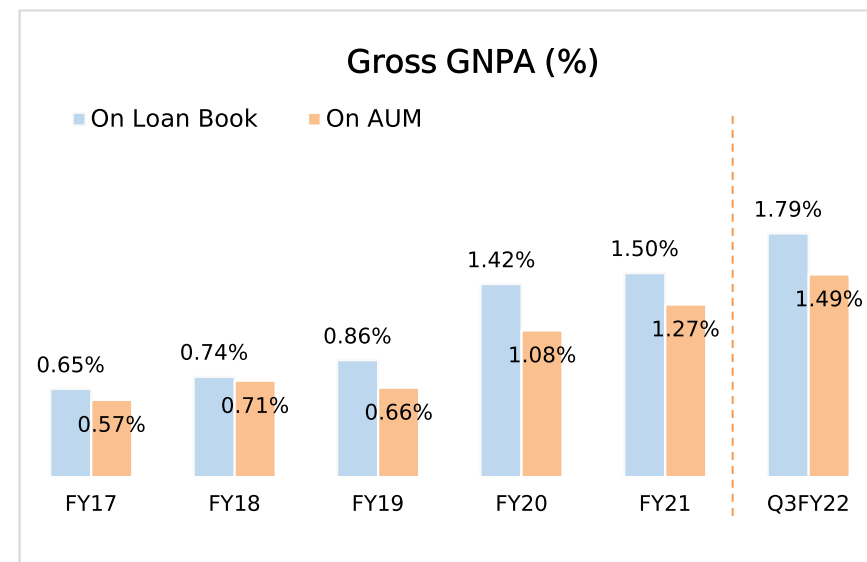
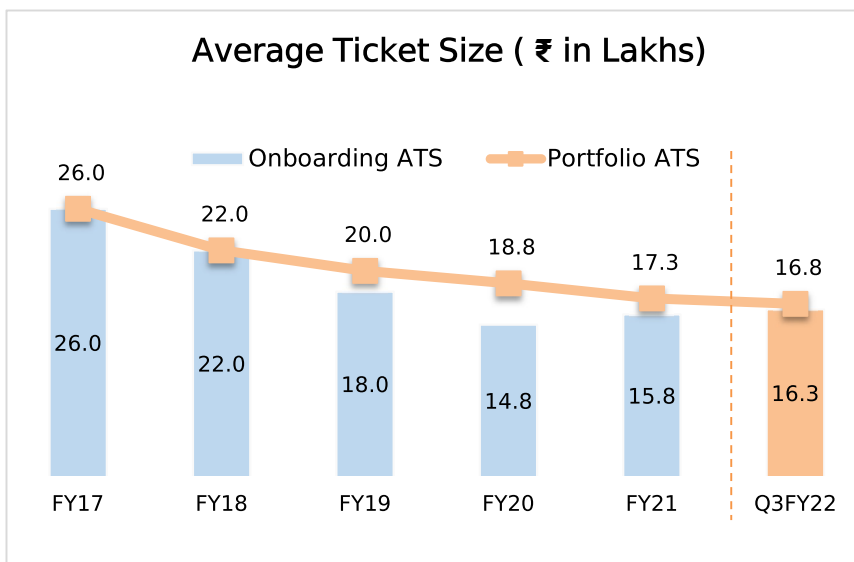
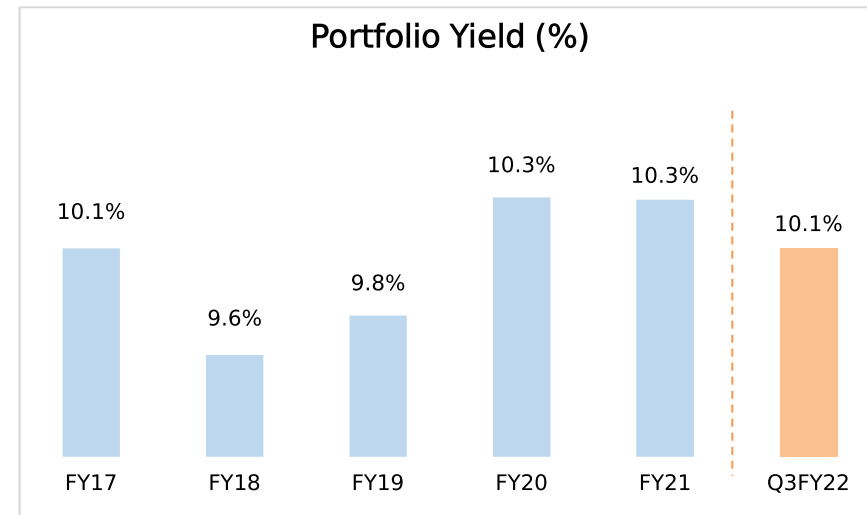
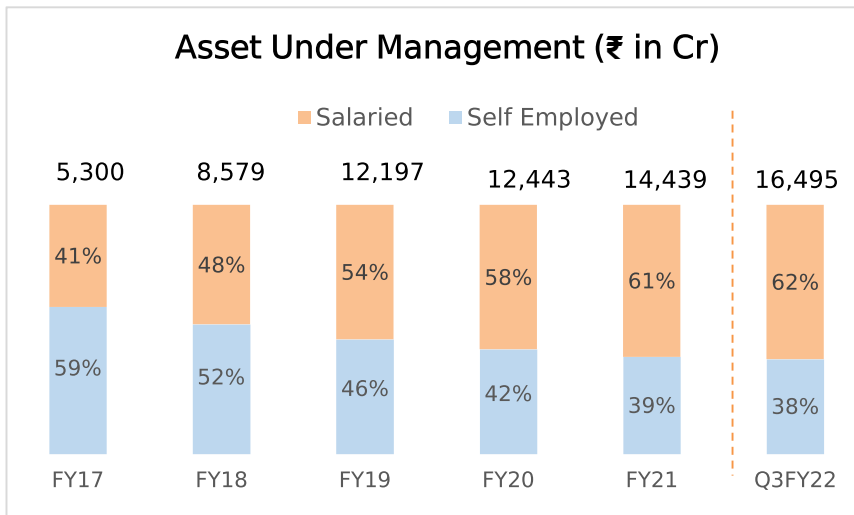
**Onboarding Average Ticket Size**  
₹ 16.3 Lakhs

**Loan to Value**  
72%

**Tenor up to 20 years**

**100% Collection Efficiency**  
(Dec 21)

# Home loans – financial overview



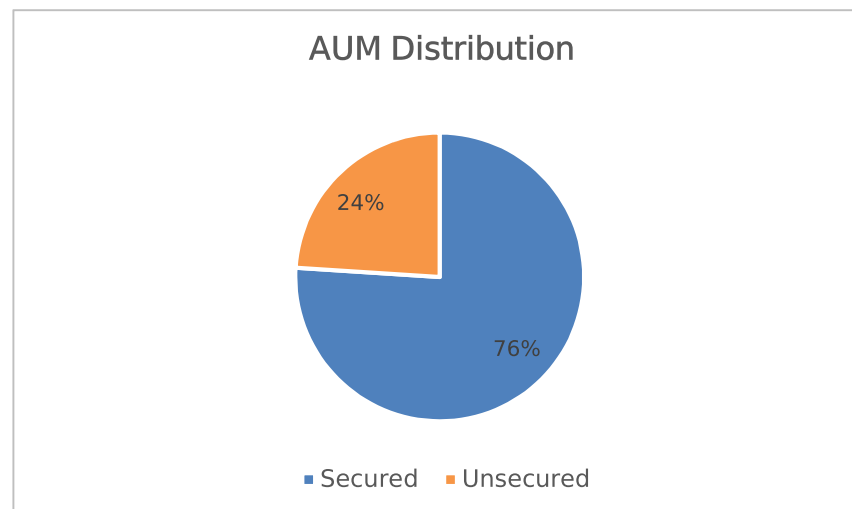
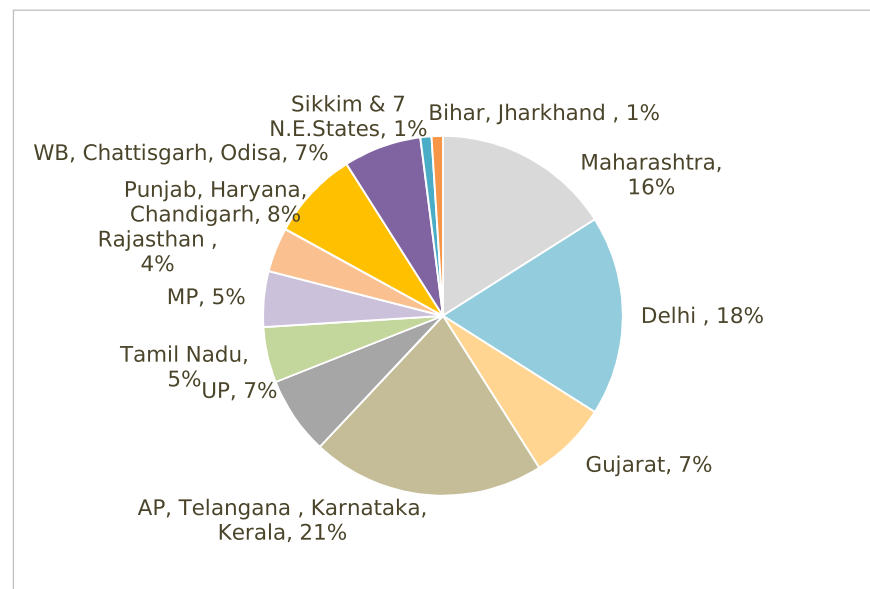
# Business loans – product overview



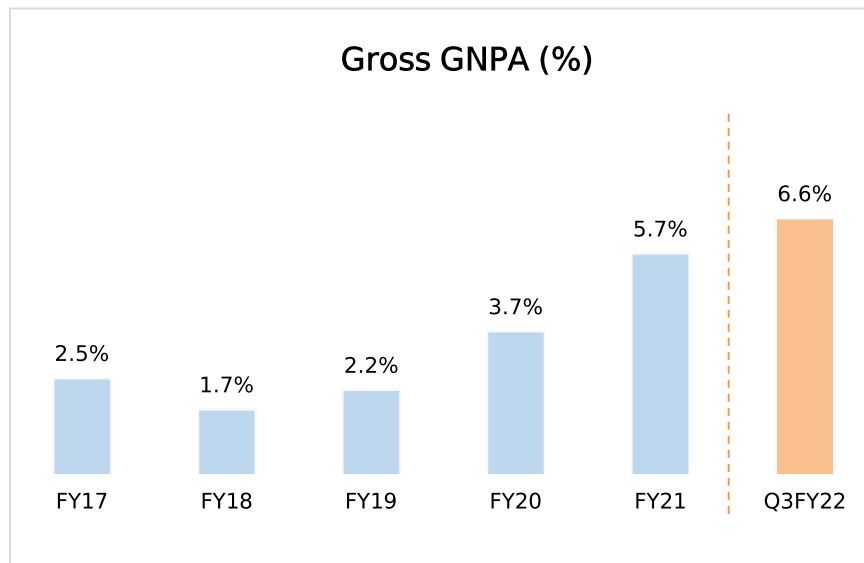
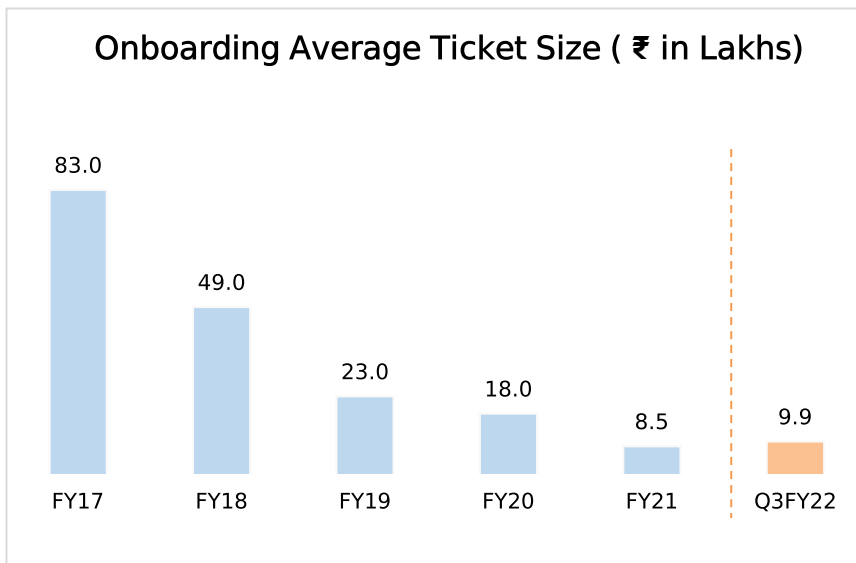
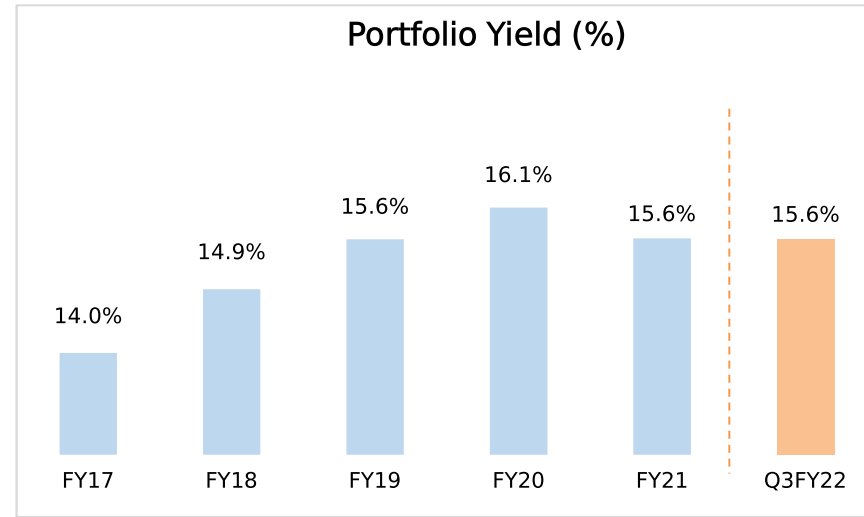
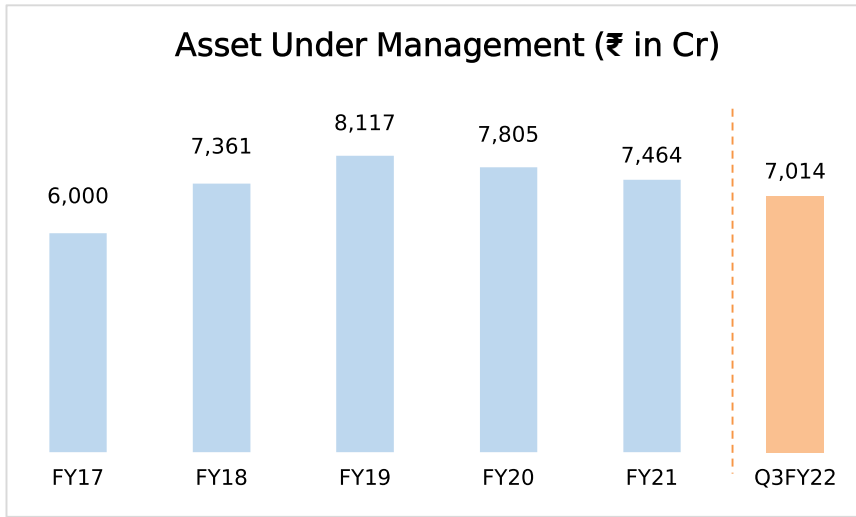
- ✓ For business loans backed by cash flows
- ✓ Focus on balancing prudent credit underwriting with instant in-principle decision and automated disbursements based on analytical scorecards
- ✓ Partnerships with leading fintech lenders focusing on both business and personal loans with appropriate risk sharing arrangements
- ✓ Average security cover of over 2x for secured loans. More than three fourths of Business Loan portfolio is secured.

AUM ₹ 7,014 Cr	Gross / Net NPA 6.6% / 3.2%
Onboarding Average Ticket Size ₹ 9.9 Lakhs	Tenor up to 12 years
97% Collection Efficiency (Dec 21)	CGTMSE Coverage (Unsecured) 27%

Distribution of AUM as at December 31, 2021 (₹ Cr)



# Business loans – financial overview



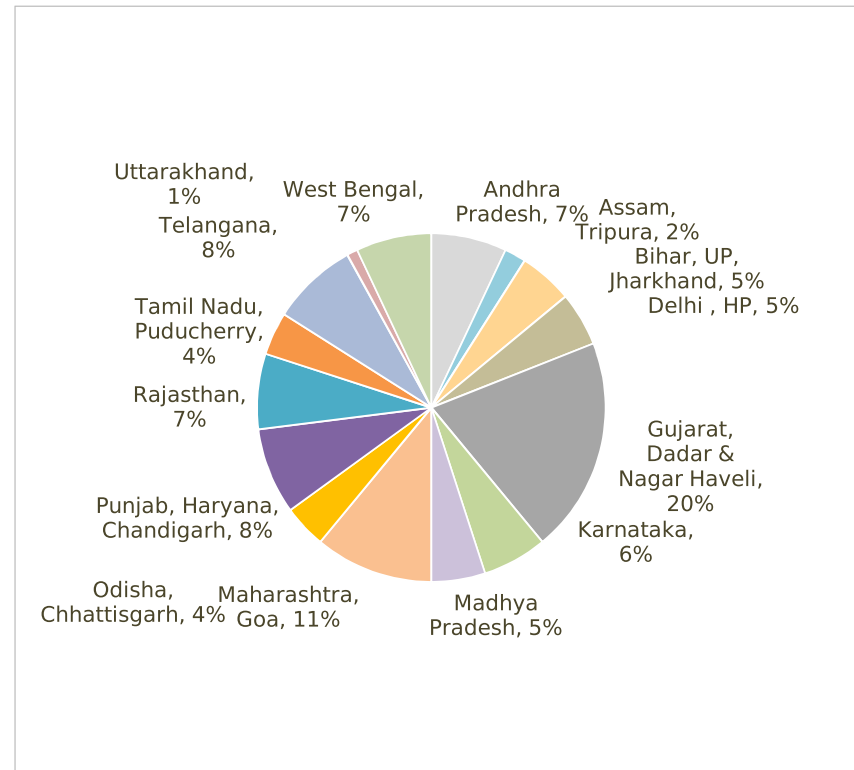


# Gold loans – product and financial overview



- ✓ Branches in more than 1,170 towns/ cities
- ✓ Loan against gold ornaments for personal & business use with on-boarding LTV ~73%
- ✓ In-house loan origination tablet application equipped to screen customers for earlier defaults, frauds and negative customer lists
- ✓ Strong emphasis on collections and resolution resulting in negligible losses
- ✓ Launched digital gold loan – for top-up and online renewal of gold loans

Distribution of AUM as at December 31, 2021 (₹ Cr)



**AUM**  
₹ 14,606 Cr

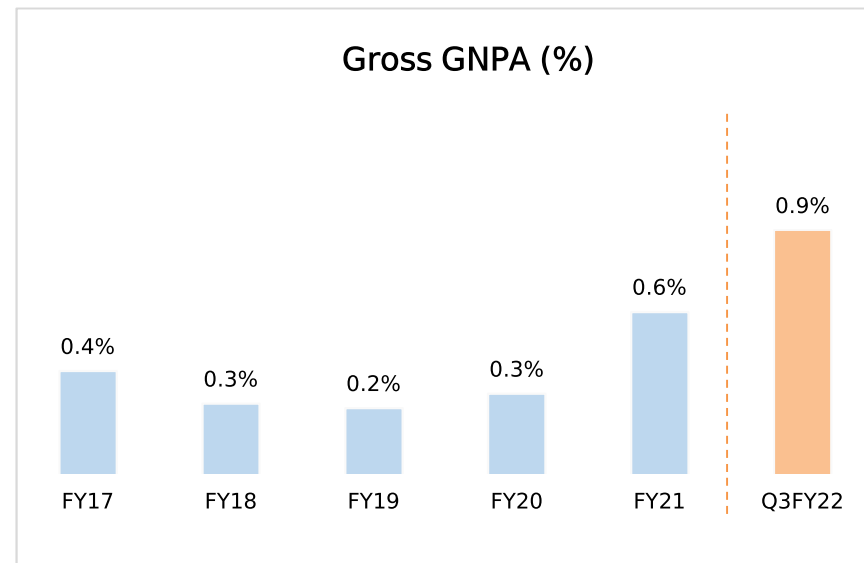
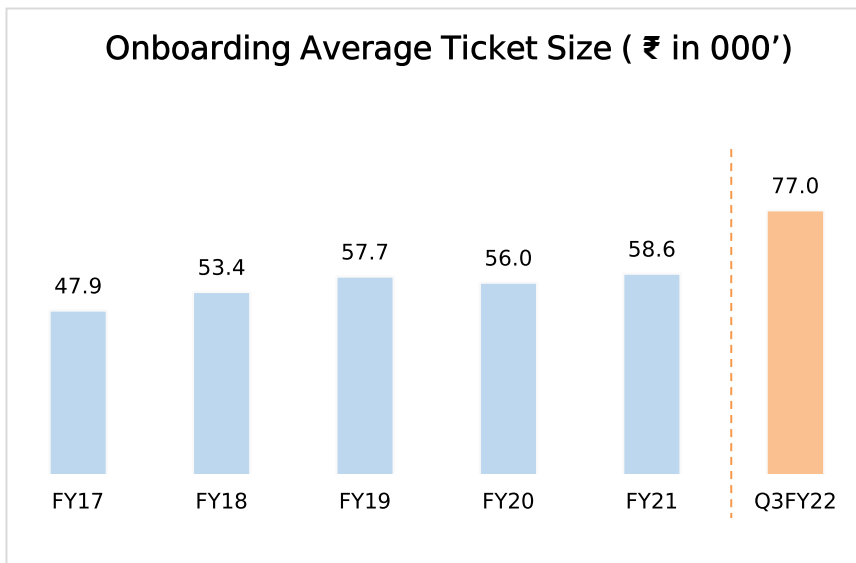
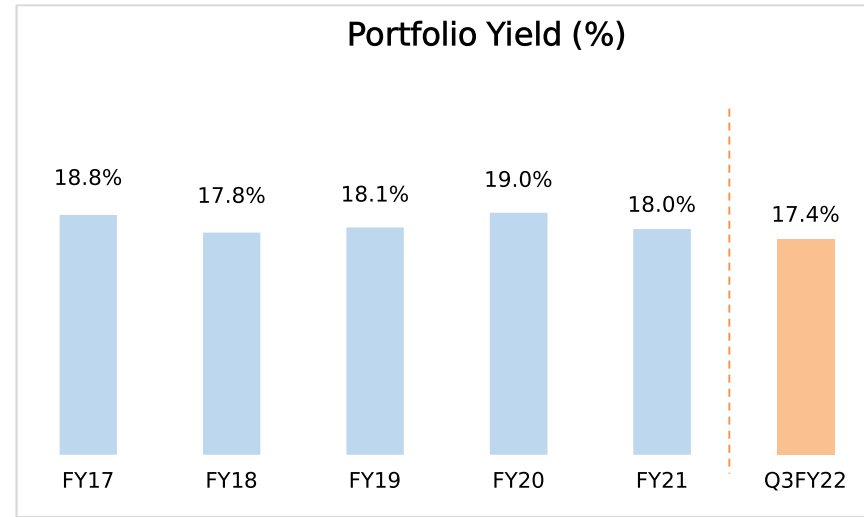
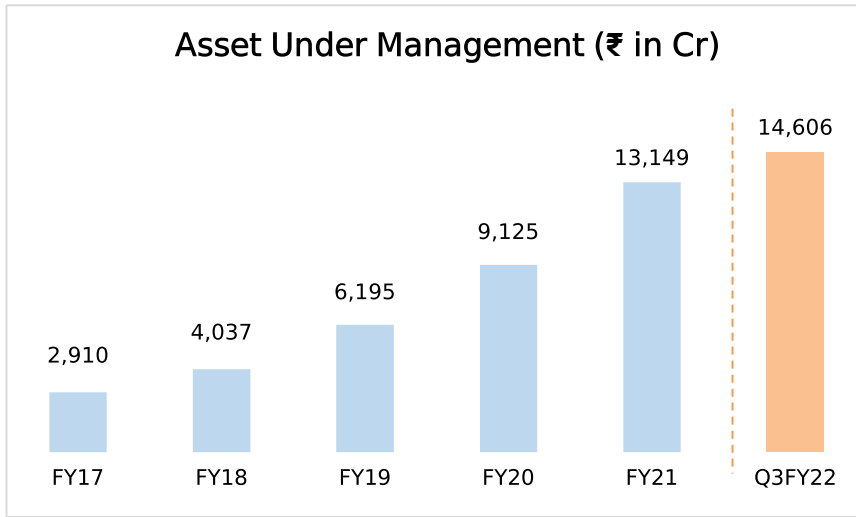
**Gross / Net NPA**  
0.9% / 0.7%

**Onboarding Average Ticket Size**  
₹ 0.77 Lakh

**Tenor**  
~2 years

**117% Collection Efficiency**  
(Dec 21)

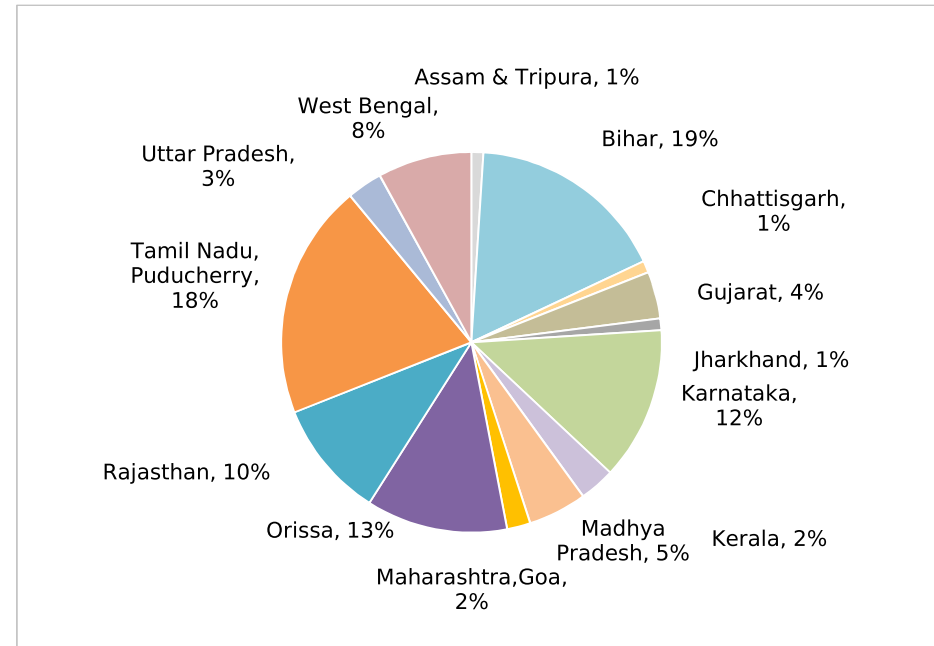
# Gold loans – financial overview



# Microfinance – product overview

- ✓ Small-ticket loans for purpose of income generation activities
- ✓ Target segment is rural and semi-urban self-employed women in joint liability groups
- ✓ Strong emphasis on training and awareness of all customers detailing end use of funds, timely repayment and emphasis on joint liability

Distribution of AUM as at December, 2021 (₹ Cr)



**AUM**  
₹ 5,178 Cr

**Gross / Net NPA**  
3.6% / 1.0%

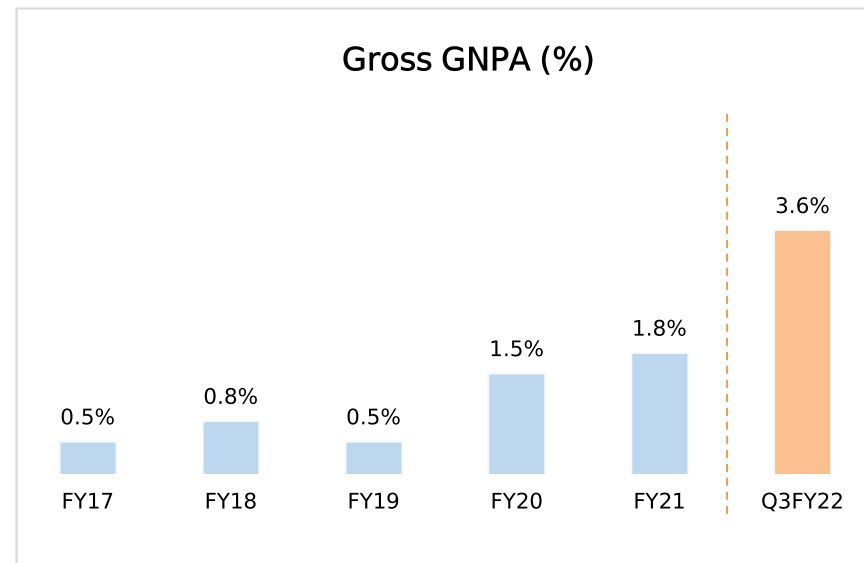
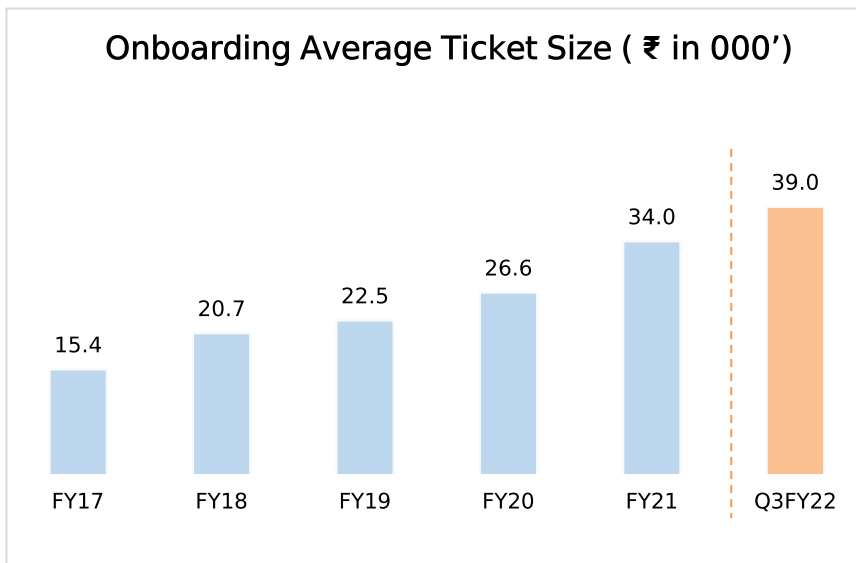
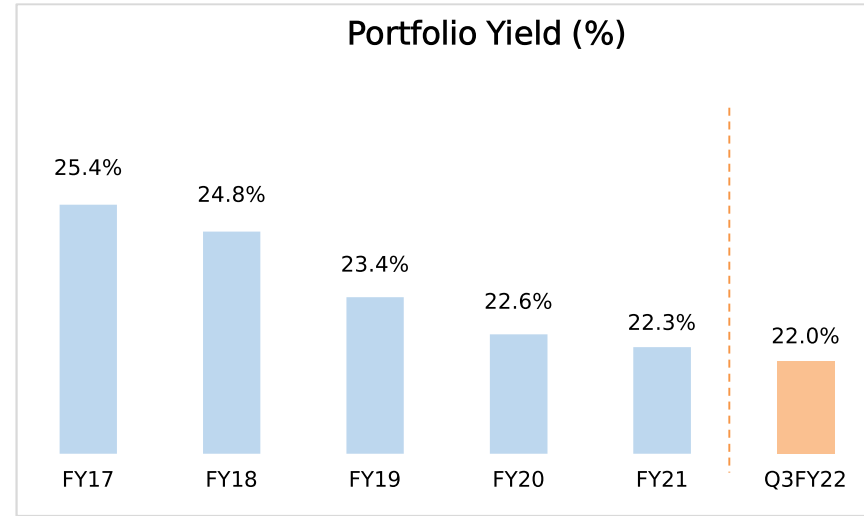
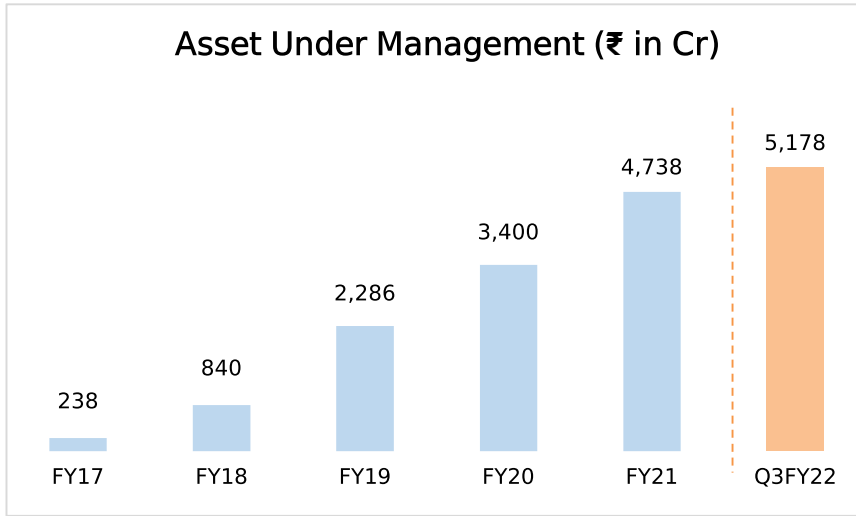
**States / Districts**  
17 / 293

**Active Customers**  
16.4 Lakhs

**Tenor**  
~2 years

**98% Collection Efficiency**  
(Dec 21)

# Microfinance loans – financial overview



# CRE & Capital Market

## Strategy for non-core synergistic businesses

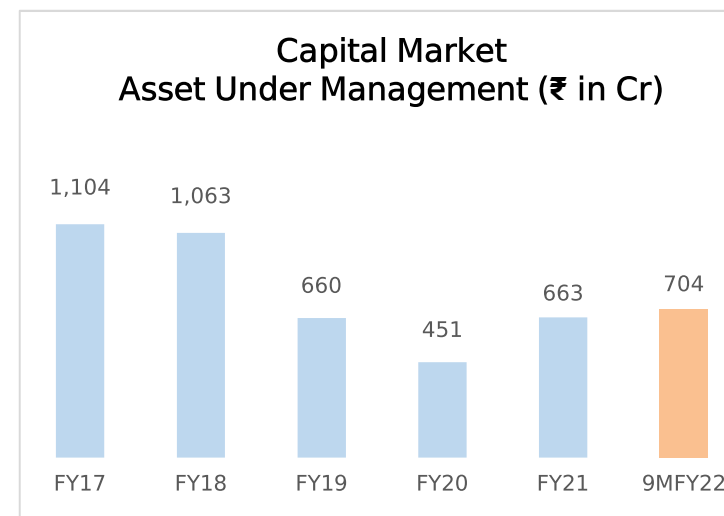
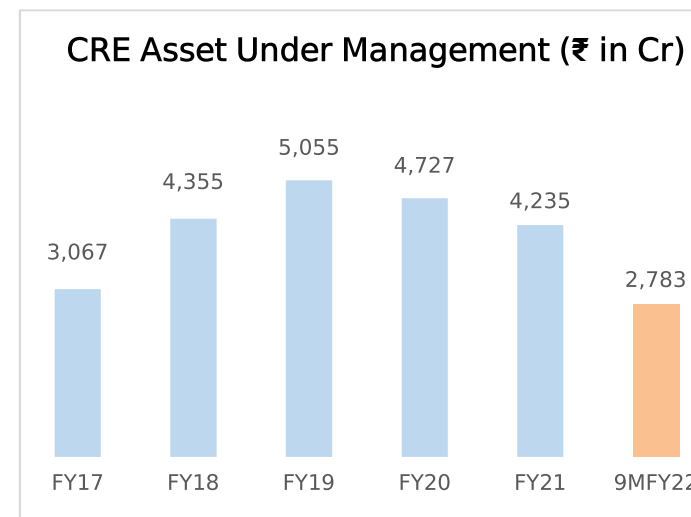


### Construction and Real Estate (CRE)

- The erstwhile CRE business of IIFL Finance, high risk high reward funding of early stage CRE projects against collaterals of land and LOI(Letter of Intent) in case of SRA (Slum Rehabilitation Authority) projects; is discontinued in normal course.
- IIFL Finance will continue to provide funding for completion of its already funded projects, with appropriate internal approvals and in compliance with RBI guidelines
- IIFL Finance subsidiary HFC provides funding for LAP (Loan against Property) and CF (Construction Finance) the way large established HFCs also do.
- The key difference is that HFC finance:
  - a) Is not towards acquisition of land but only for cost of construction and therefore the interest yield is expected to be lower but risk of default also reduces considerably.
  - b) Is primarily for construction of affordable housing with special emphasis on green and sustainable housing. IIFL HFC is in advanced stage of negotiation for credit lines from multilateral institutions for onward lending to such developers
  - c) The Board has set maximum limit of 10% of loan AUM for CF.

### Capital market

- The Loan against shares and capital market portfolio is not core focus for growth but synergistic with group businesses. The strategy is to restrict to clients of group companies, thereby minimising operating cost and with strict risk control of the lending portfolio.



I. 9MFY22 & Q3FY22 Consolidated performance overview

II. Business segments review

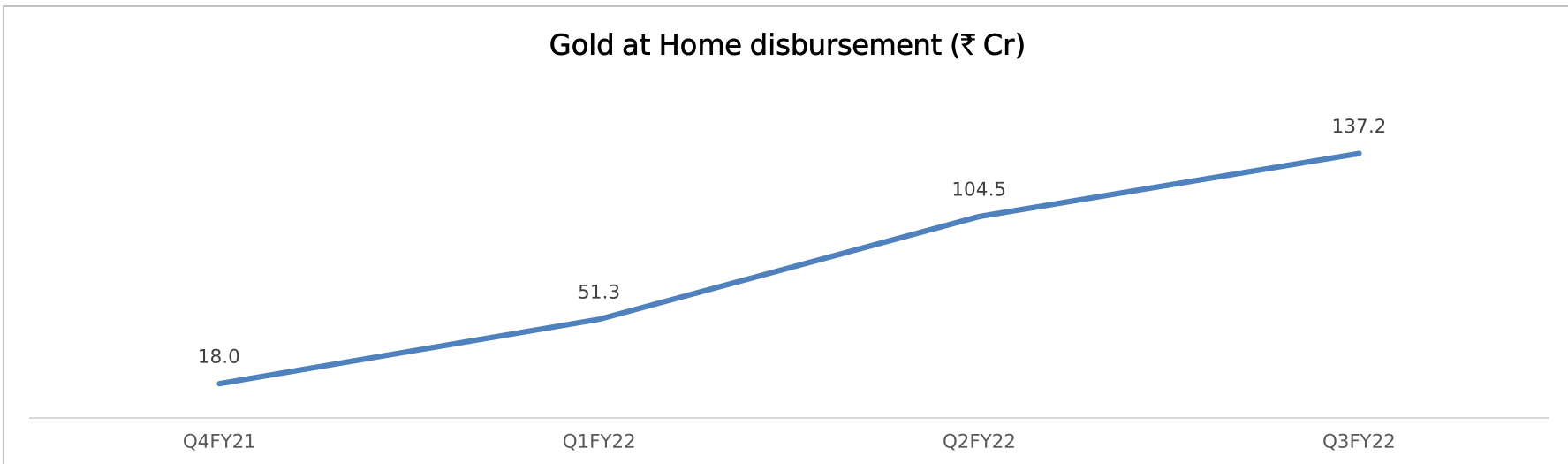
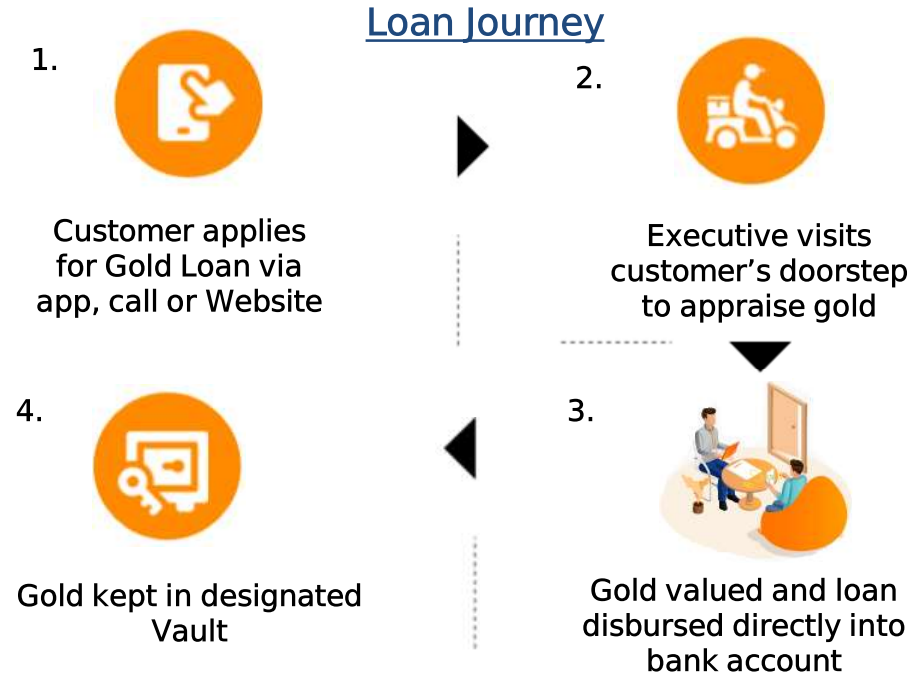
III. Digital transformation initiative

IV. Corporate and others

# Gold loan home delivered traction picking up..



- Gold loan at customer's doorstep initiative targets branchless expansion of Gold Loan business.
- The initiative started a year ago, saw significant traction with disbursements rising 31% qoq to ₹137cr.
- We have proprietary technology to provide high level of security, paperless and frictionless experience to the customer.
- The initiative originally started with 6 cities and now will be expanded to 30 cities.



# Our Digital DIY channels..



my money



### My Money app and website:

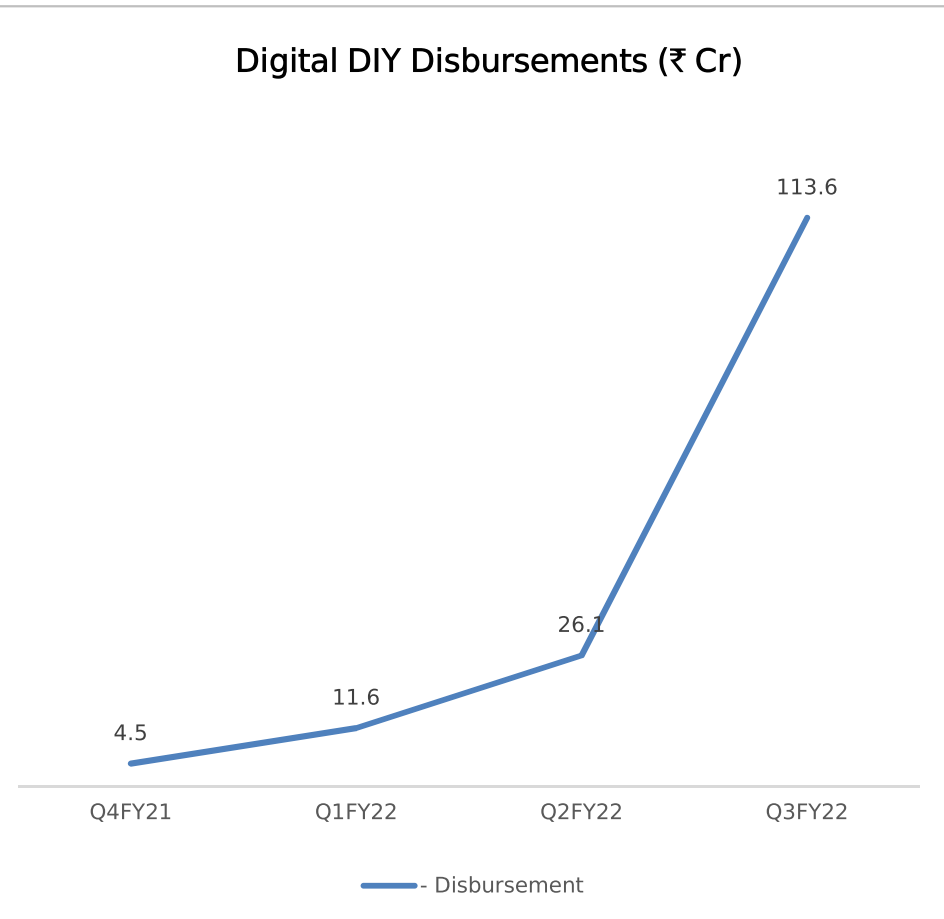
- a. 100% online loan application process.
- b. Loans ranging from ₹ 50,000 to ₹10 lakhs for Business Loans and from ₹ 5,000 to ₹2 lakhs for Personal Loans

### WhatsApp loans:

- a. Ease of chat has been brought to the complex loan journey
- b. Loan up to ₹ 10 lakhs with minimum documentation and approval in 5 mins.
- c. API Integration with fintech vendors

More than 18,000 customers on boarded till date under above initiatives. The disbursement grew more than four fold to ₹114 crores during the quarter.

### Digital DIY Disbursements (₹ Cr)





I. 9MFY22 & Q3FY22 Consolidated performance overview

II. Business segments review

III. Digital transformation initiative

IV. Corporate and others

# Distinguished Board of Directors



## IIFL Finance – Board of Directors



### **Nirmal Jain**

Chairman & Whole-time Director  
*MBA, IIM Ahmedabad;  
Rank holder CA & Cost accountant*

Founded and led IIFL since 1995  
Worked with Unilever for 5 years



### **R Venkataraman**

Managing Director  
*MBA, IIM Bangalore;  
B-Tech, IIT Kharagpur*

Co-founder of IIFL  
Worked with ICICI Bank, Barclays,  
GE Capital



### **Chandran Ratnaswami**

Non-Executive Director  
*MBA, University of Toronto  
BE, IIT Madras*

Managing Director, Hamblin Watsa  
Investment Counsel Ltd.  
Director & CEO, Fairfax India Holdings



### **A K Purwar**

Independent Director  
*M Com., Allahabad University*

Chairman of Tadas Wind Energy Private  
Limited & Eroute Technologies Private  
Limited; Former Chairman, SBI



### **V. K. Chopra**

Independent Director  
*Chartered Accountant*

Former Whole-Time Member, SEBI  
Former Chairman & MD - Corporation  
Bank and SIDBI



### **Nilesh Vikamsey**

Independent Director  
*Chartered Accountant*

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



### **Geeta Mathur**

Independent Director  
*Chartered Accountant*

Co-chair for the India Chapter of Women  
Corporate Directors Foundation



### **Ramakrishnan Subramanian**

Independent Director  
*Chartered Accountant*

Sr. Advisor, Operating Partner,  
Consultant with PE, VC, FIs and Fintech  
in India



### **Vibhore Sharma**

Independent Director  
*Engineer*

Engineering & product leader with over  
20 years of experience  
Earliest members of InfoEdge India

# Experienced senior management team



## IIFL Finance



**Rajesh Rajak**  
Chief Financial Officer  
*Chartered Accountant*

SVP- heading Business Finance function with HDFC Bank Ltd for 14 years.

## IIFL Home Finance



**Monu Ratra**  
Chief Executive Officer  
*Qualified architect and MBA*

20+ years of experience with HDFC, ICICI Bank and Indiabulls Housing in mortgages.

## IIFL Samasta



**N Venkatesh**  
Chief Executive Officer  
*Strategic leadership Program in microfinance at Harvard*

20 years of experience in the financial services sector



**Sanjeev Srivastava**  
Chief Risk Officer  
*Chartered Accountant*

Over 20 years of experience in financial services



**Amit Gupta**  
Chief Financial Officer  
*Chartered Accountant*

20+ years of experience in financial services in accounting, finance, audit & compliance



**Anantha Kumar T**  
Chief Financial Officer  
*Chartered Accountant*

10+ years of varied experience across industries such as financial services, steel, garments and IT



**Sneha Patwardhan**  
Compliance Officer  
*Company Secretary*

13 years of experience in the field of Secretarial, Compliance, Legal.



**Abhishikta Munjal**  
Chief Risk Officer  
*Chartered Accountant*

19 years of work experience with 17+ years experience in mortgages and housing finance



**Sabari Krishna**  
Chief Risk Officer  
*ACS, CAIIB*

13+ years of experience in Risk Management, Operational Risk, Risk Assessment, Compliance

# Our recent partnerships with banks for co-lending, co-origination and business correspondence..



Gold Loan



Home Loan



Gold Loan



Gold Loan



Business Loan



Gold Loan



Home Loan



Home Loan and MSME LAP



Home Loan and MSME LAP

The above agreements are a win-win partnership for both IIFL Finance as well as the banks:

- Banks will be able to improve their reach to Tier 2 / Tier 3 cities by leveraging existing network of NBFCs
- NBFCs can increase their customer base without the need for regular fundraising
- Informal segment borrower will get access to cheaper source of funds

# ESG: Supporting a sustainable economy through focus on environment..



## Adopting environmentally conscious solutions in our business initiatives as well



Reduced the paper consumption by **3.9 tons** in FY21 by digitalizing and automating processes for loan application (approximately 0.78 million sheets of paper).



Consistently reducing our energy consumption by using energy efficient lighting at our branches. We replaced **4,207** incandescent lights with **light-emitting diode (LED) panels across 15 branches**, which is an ongoing process



We also **recycle excess water** from RO water purifier for use in toilets and urinals. During FY21, we **recycled 16.3 kl of water**. We have also installed sensors in washrooms that control water consumption



We measure our waste generation and aim to strengthen our waste management initiatives. **Dry and wet waste** is picked up by local municipal bodies. **E-waste** and paper waste is given to authorized vendors for **recycling**.



Pioneered **Green Building** concept in partnership with housing developers through "**Kutumb**" platform. It provides industry experts and housing developers, a platform to promote sustainable infrastructure.

# ESG: Promoting financial inclusion

As at December 31, 2021

IIFL is firmly committed to support economic activity and financial inclusion through its loan offerings while adapting to changes in the external environment.



GOLD

- **62%** of gold loan are of less than ₹ 50,000 value
- **63%** of loans given to small businesses
- **82%** of the branches are located in tier II, III cities and rural areas"



BUSINESS  
LOAN

- **65%** of the Unsecured MSME loans given are of less than ₹ 1 Million
- **41%** of unsecured loans are to borrowers who are new to credit



HOME  
LOAN

- **49,500+** families benefitted under CLSS and 1184+ Cr. subsidy provided till date
- **48,000+** loans given to the informal segment
- **61%** loans given to female owners/co-owners
- **141,500+** loans to first time home buyers



MICRO-  
FINANCE

- Small-ticket loans for purpose of income generation activities
- **16.3 lakhs+** families benefitted in **17** states with financial intervention
- **7,205+** dairy farmers supported through **9** cattle health centers in **4** States.



# ESG: CSR projects continue amid covid with creative use of technology



## Seva Kutirs (Madhya Pradesh)

Because of COVID-19 pandemic government schools remained shut which led to interruption in Mid-Day Meal programme.

IIFL Foundation supported provision for nutritional and healthy meals, both Lunch and Dinner to students of government schools in 5 such villages in Madhya Pradesh by establishing Seva Kutirs.

The learning centres were paid a visit by International Cricket Legend Sachin Tendulkar.



Age Group (Children)	Total Beneficiaries	Services
4 to 15 years	282	Freshly cooked meals- lunch & dinner

## Education for the under privileged (Maharashtra)

Since 2018, IIFL Foundation has been supporting education of the children from the Financially weaker section of the community residing at Janupada Vaibhav Nagar locality (slum settlement) located at Kandivali (E), Mumbai. Almost 90% of the parents earn their livelihood through menial occupations and find it difficult to meet financial demands to offer their children quality education .

Through IIFL foundation these children are offered education without charging any fees



Standards	Total Beneficiaries	Staff Supported
1 to 10th	353	6

## Sakhiyon ki Baadi (Rajasthan)



- Sakhiyon ki Baadi is an initiative aimed at eradication of female illiteracy from Rajasthan
- Learning centres has been set up for girls in the age group of 4 yrs. to 14 yrs. old
- The centres are located in the areas dominated by native Scheduled Tribe communities, where girls often dropout of school or are never enrolled at one.



Total Number of Centres	Centres conducting online session	Children connected over online sessions
1,016	615	11,278



# ESG: Governance – conducting our business with integrity

Establishing vision, mission and values and determining, reviewing the goals and policies of the Company from time to time

Promote sound corporate governance practices, ethical standards, and compliance with the laws of the land.

Disclose our strategy, key targets and goals to all key stakeholder groups (internal and external), and report our progress annually.

Incorporate ESG aspects into our policies and practices, assess our performance through a robust internal ESG governance structure

Corporate governance and ethical business conduct are one of the fundamental pillars of a successful business. We strive to maintain the highest standards of business ethics.

Corporate policies and guidelines: Board Diversity Policy, Whistle Blower Policy, CSR Policy, Interest Rate Policy, Grievance Redressal Policy, etc.

Business ethics and compliance: Anti-Corruption Policy, Vigilance Policy & Code of Conduct.

In FY 20-21, we reported zero cases of non-compliance with financial, environmental, and socio-economic regulations.





# IIFL's brand and credibility recognized at various forums



IIFL Finance received **'The Most Preferred Brand'** Award 2021 for Sustained Brilliance in Brand Building at Marksmen Daily Awards



IIFL Finance received **'The Economic Times Iconic Brand Award 2021'**



IIFL Foundation was recognized as **'Champion of Change'** by ET Now for bringing over 36,000 out-of-school girl children into education fold



IIFL Foundation received **India's Greatest CSR Brand** recognition by Asia One

IIFL Foundation received **Best Sustainability Education Program** at Global Sustainability Leadership Awards



IIFL Foundation received **Sustainable Carbon Management Award** at Global Sustainability Leadership Award



**Thank you**

Published in January 2022

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