



May 15, 2020

<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. Tel No.: 2659 8235 NSE Symbol: IIFLSEC</b>	<b>The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001. Tel no.: 22721233 BSE Scrip Code: 542773</b>
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Dear Sir/Madam,

**Sub: Press Release and Corporate Presentation on the Audited Financial Results**

We enclose herewith:

1. The press release on the Audited Financial Results of the Company for the year ended March 31, 2020.
2. Corporate Presentation.

Thanking You,

Yours faithfully,

For IIFL Securities Limited

**Roshan Dave**  
**Company Secretary**  
Encl: as above



**IIFL Securities Limited (Formerly "India Infoline Limited")**

Corporate Identity Number: **L99999MH1996PLC132983**

**Regd. Office:** IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400 604

Tel: (91-22) 3929 4000/ 4103 5000 • Fax: (91-22) 2580 6654 • E-mail: [secretarial@iifl.com](mailto:secretarial@iifl.com) • Website: [www.indiainfoline.com](http://www.indiainfoline.com)

# Investor Presentation

For the quarter and year ended March 31, 2020

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**IIFL Securities Limited**

**May 15 , 2020**

**NSE : IIFLSEC | BSE : 542773**

# Table of Contents

Section	Contents	Slide reference
1	Navigating through Covid-19 crisis	4 - 5
2	Financial Highlights	7 – 8
3	Business Segments and Strategy	10 - 10
4	Business Performance	12 – 23
5	Governance, Awards and CSR	25 – 27
6	Annexures	29 - 29

Section 1:

# **Navigating through Covid-19 crisis**

- **Covid-19 : An onslaught of unprecedented challenges**
  - Global economy brought to a standstill
  - No clarity on when lockdown will be lifted
  - Recovery in economic activity unlikely in short run – challenges with safety, regulations & logistics, negative sentiments, and reduction in purchasing power
  - Major changes to be implemented in way to do business
- **Adverse external environment causing uncertainty in business outlook**
- **Digitization initiatives will be more crucial than ever before**
  - Edge gained with existing technological capabilities to be leveraged
  - Customers to be encouraged to further adopt digital modes of transactions

- **Successfully migrated front, back, and mid-office to WFH environment**
  - Arrangements for staff to work from home were undertaken before the lockdown announcement
  - Almost 100% staff working from home without any disruptions
  
- **Business continuity without disruption, leveraging established digital capabilities**
  - Our well established digital platforms including IIFL Markets & AAA ensured RMs, partners and customers functioned seamlessly
  - Broking revenue generated from our mobile platform saw a 17% m-o-m growth in March'20
  - Account opening process is entirely digitized
  - Dealing and customer service functions operated smoothly with zero downtime through mobile to cloud based recording systems
  - Customer service largely carried out through the chat-bot “Ask IIFL”
  
- **Strong risk management systems and practices in place**
  - All risk and surveillance activities being carried out accurately from home
  - Ensured exchange / clients settlements managed well despite volatile conditions

Section 2:

# **Financial Highlights**

# Consolidated Results (as per IND AS)

Quarter and year ended March 31, 2020



Rs Mn	Q4FY20	Q3FY20	Q-o-Q	Q4FY19	Y-o-Y
Revenue from Operations	1,900.7	1,895.7	0%	2,065.4	(8%)
Other income	197.7	206.5	(4%)	90.4	119%
<b>Total income</b>	<b>2,098.4</b>	<b>2,102.2</b>	<b>(0%)</b>	<b>2,155.8</b>	<b>(3%)</b>
Employee cost	507.9	564.7	(10%)	715.3	(29%)
Finance Cost	358.5	214.4	67%	207.1	73%
Depreciation and amortisation	125.2	139.9	(11%)	111.3	12%
Administration and other expense	597.1	553.1	8%	523.8	14%
<b>Total Expenses</b>	<b>1,588.7</b>	<b>1,472.1</b>	<b>8%</b>	<b>1,557.5</b>	<b>2%</b>
<b>Profit before tax</b>	<b>509.7</b>	<b>630.1</b>	<b>(19%)</b>	<b>598.3</b>	<b>(15%)</b>
Provision for tax	137.1	165.3	(17%)	225.6	(39%)
<b>Profit after tax</b>	<b>372.6</b>	<b>464.8</b>	<b>(20%)</b>	<b>372.7</b>	<b>(0%)</b>
Other Comprehensive Income	(0.3)	(6.6)	-	(1.2)	-
<b>Total Comprehensive Income (excluding exceptional items)</b>	<b>372.3</b>	<b>458.2</b>	<b>(19%)</b>	<b>371.5</b>	<b>0%</b>

Exceptional Items	-	-	-	-	-
<b>Total Comprehensive Income (including exceptional items)</b>	<b>372.3</b>	<b>458.2</b>	<b>(19%)</b>	<b>371.5</b>	<b>0%</b>

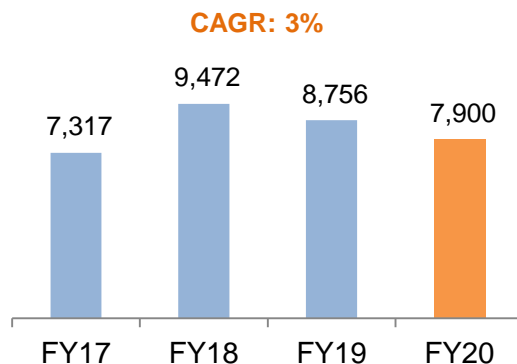
FY20	FY19	Y-o-Y
7,174.5	8,351.3	(14%)
725.0	404.3	79%
<b>7,899.5</b>	<b>8,755.6</b>	<b>(10%)</b>
2,212.5	2,566.4	(14%)
1,021.1	1,145.0	(11%)
553.1	419.0	32%
2,115.1	2,044.4	3%
<b>5,901.8</b>	<b>6,174.8</b>	<b>(4%)</b>
<b>1,997.7</b>	<b>2,580.8</b>	<b>(23%)</b>
529.9	866.5	(39%)
<b>1,467.8</b>	<b>1,714.3</b>	<b>(14%)</b>
(18.2)	6.7	-
<b>1,449.6</b>	<b>1,721.0</b>	<b>(16%)</b>

871.6	-	-
<b>2,321.2</b>	<b>1,721.0</b>	<b>35%</b>

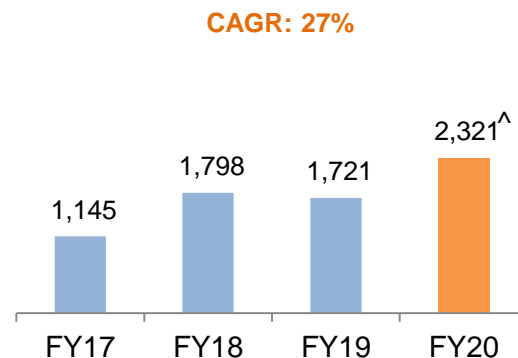
Note: Exceptional item in FY20 is net of profit of Rs1,017.1 Mn on sale of office property and write- down of deferred tax assets and MAT credit due to reduction in corporate tax rate of Rs 145.5 Mn



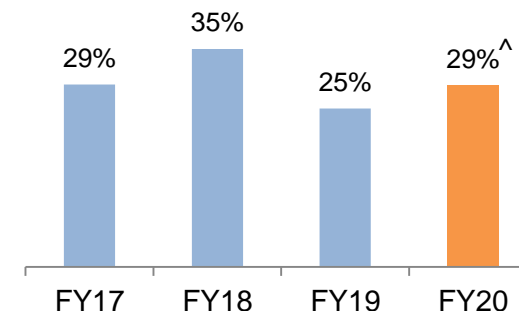
## Total Revenue (₹ Mn)\*



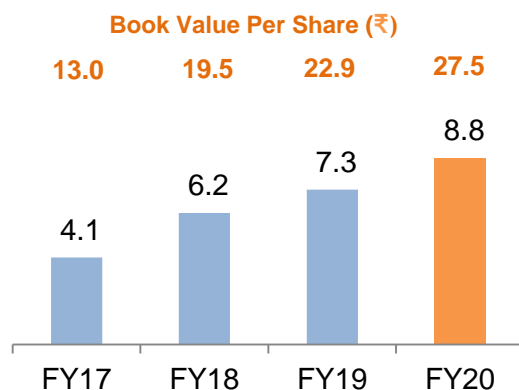
## Profit after tax (TCI) (₹ Mn)\*



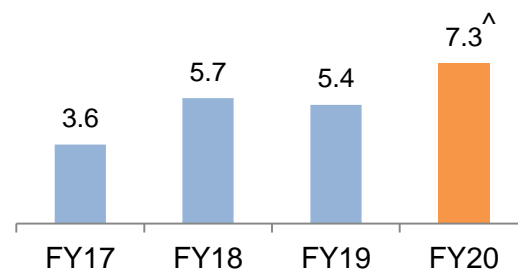
## Return on Equity (%)\*



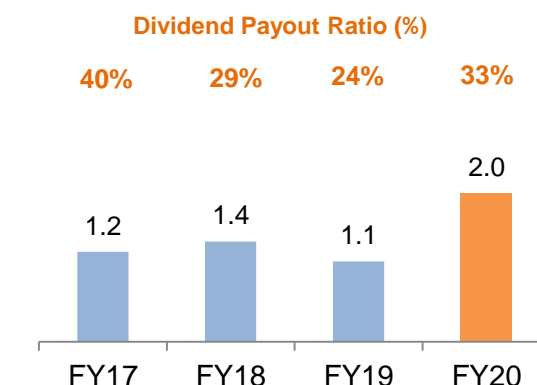
## Net Worth (₹ Bn)\*



## EPS (₹)\*



## DPS (₹)\*



\*FY17 and FY18 figures are based on Proforma Accounts;

<sup>^</sup>Including exceptional items

DPS includes dividend paid by subsidiaries in FY17, F18 and FY19.

DPR is including DDT

Section 3:

# **Business Segments & Strategy**

**Build High ROE,  
Low Risk Business**

**Risk mitigation- Client focus, avoid proprietary**

**Retail,**  
Mass  
affluent,  
Traders

**Institutional**  
Local,  
Foreign,  
PE

**Investment  
Banking**  
Corporates-  
IPO/ QIP

**Technology Edge**

**Talent prowess**

**Research- Capital Market domain depth**

A million retail customers,  
675 institutional & 500  
corporate clients

Well capitalized

Industry leading online  
platform Trader Terminal

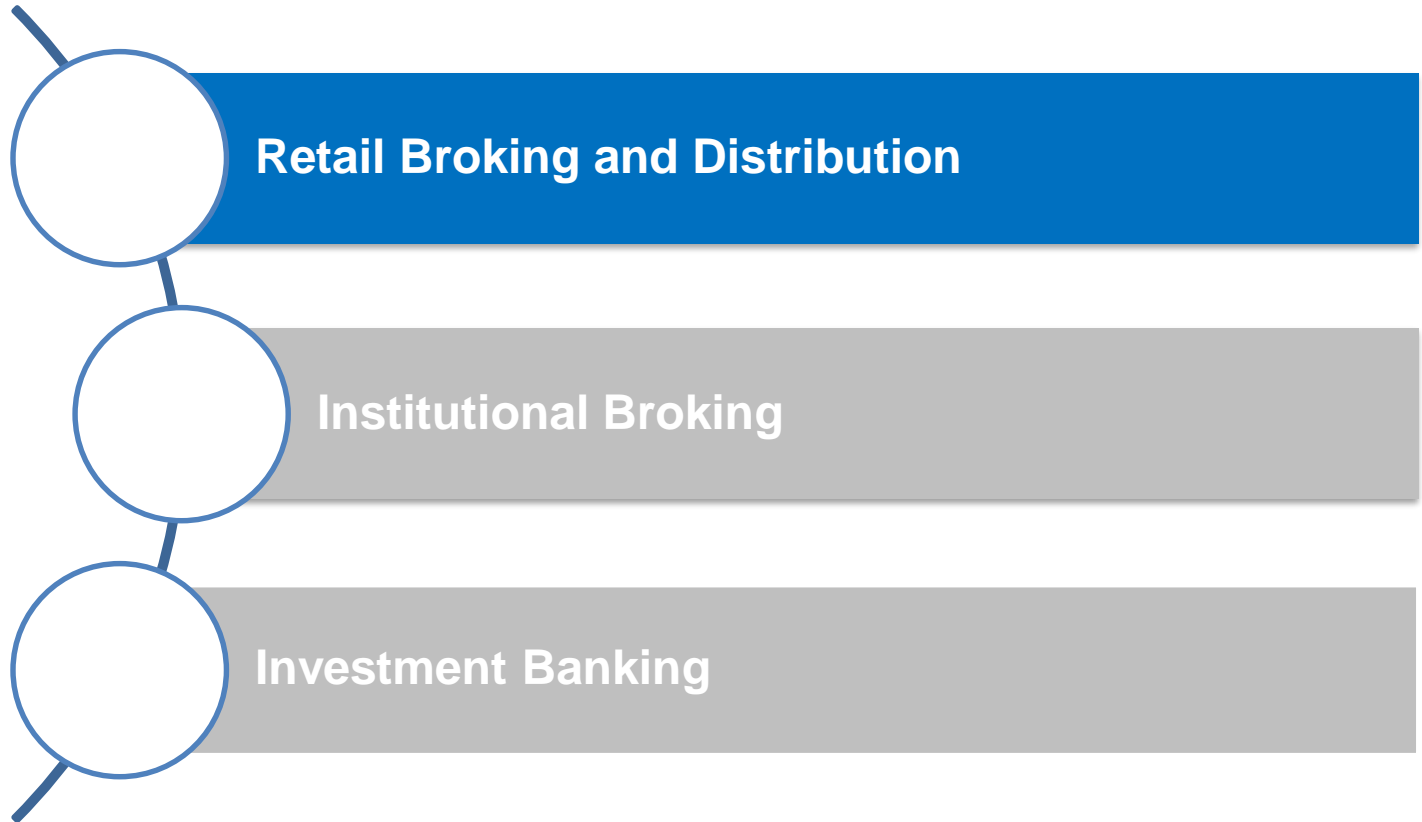
More than 200 stocks  
covered by Research

4 million downloads of IIFL  
Markets, Mutual Funds App

Industry pioneer platform for  
IFAs

Section 4:

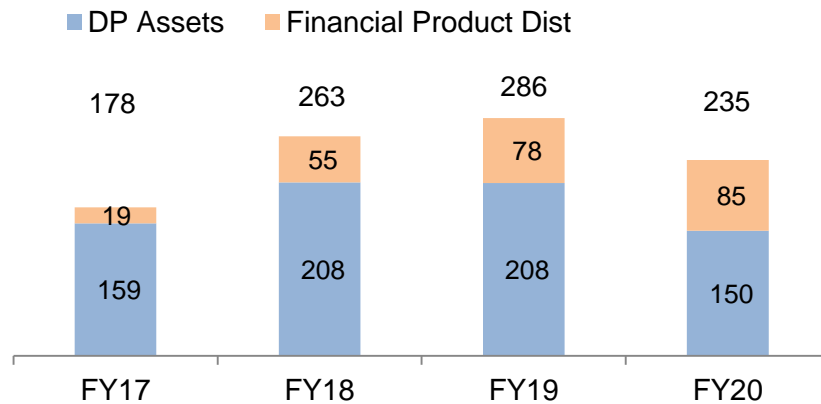
# **Business Performance**



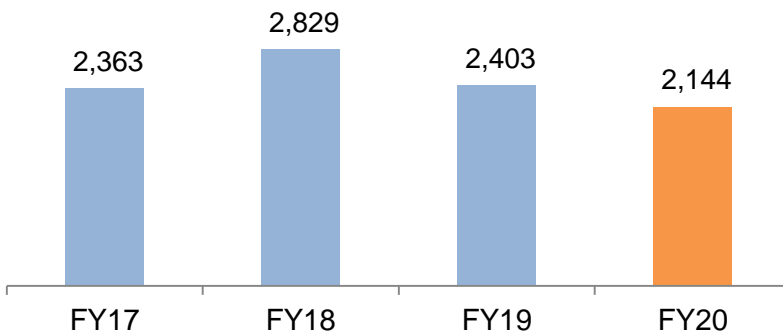
# Legacy Business in Retail Broking and Distribution

- Legacy of about two decades in retail broking and financial product distribution.
- Business offerings comprise equity, commodities and currency broking, DP services portfolio advisory and distribution of investment products

## Assets Under Management (₹ Bn)

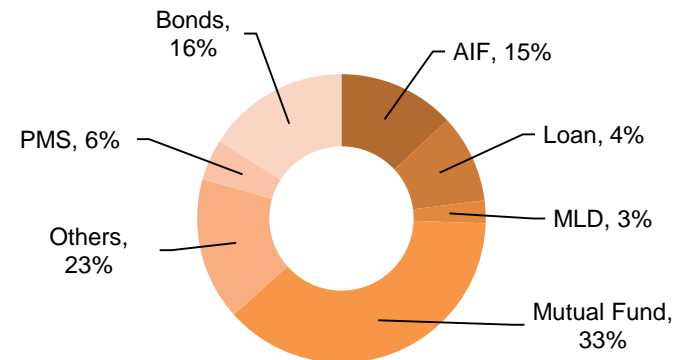


## Retail Brokerage Income (₹ Mn)

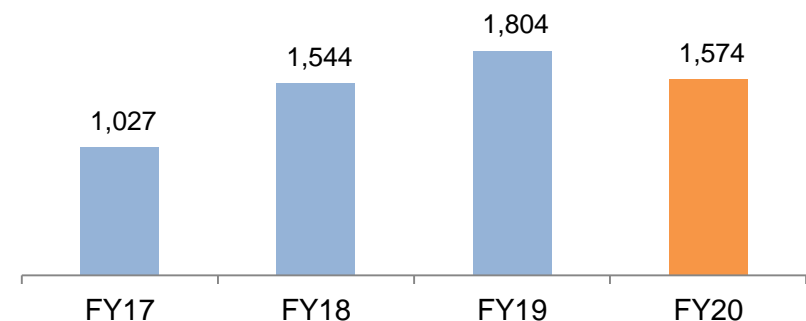


## FPD AUM (₹ Bn)

AUM Rs 85 Bn as at March 31, 2020

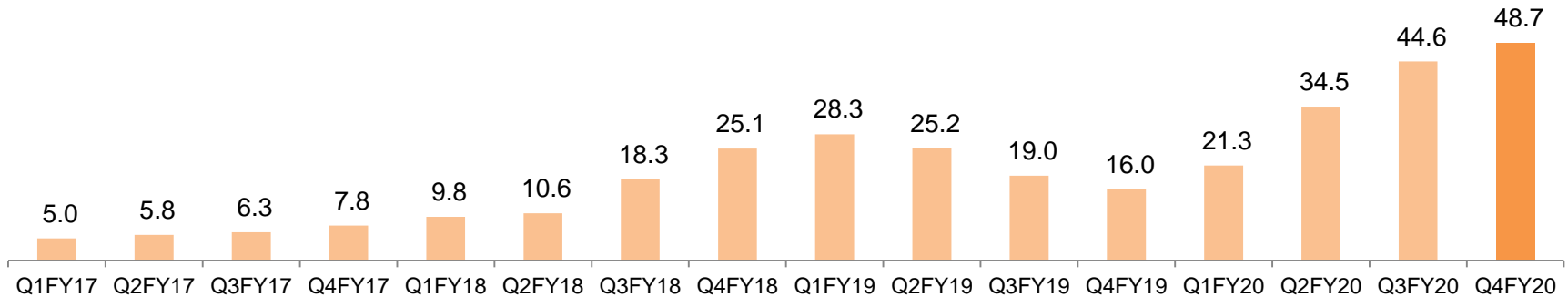


## Financial Products Distribution Revenues (₹ Mn)

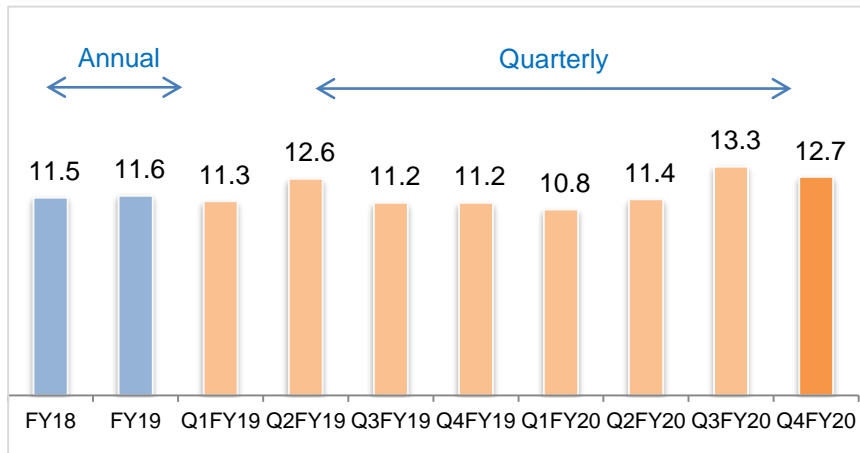


# Improving Customer Acquisition Trend

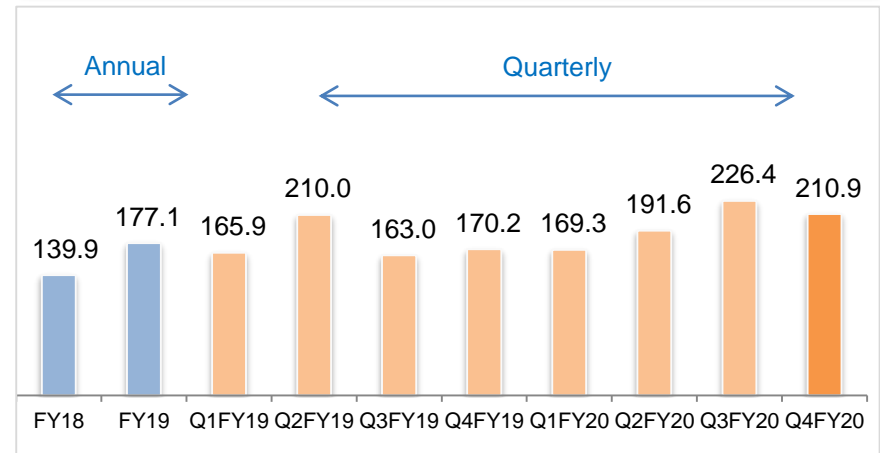
## Customer Acquisitions ('000)



## IIFL Average Daily Turnover – Cash (₹ Bn)\*



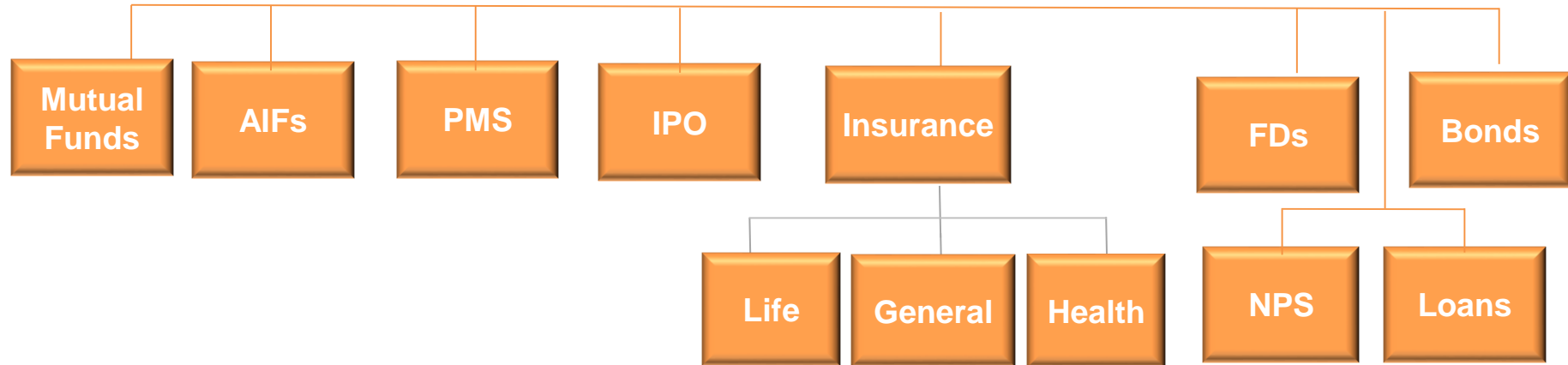
## IIFL Average Daily Turnover – Total (₹ Bn)\*



Source: NSE

\*Turnover includes retail and institutional segments from NSE

## Product offerings

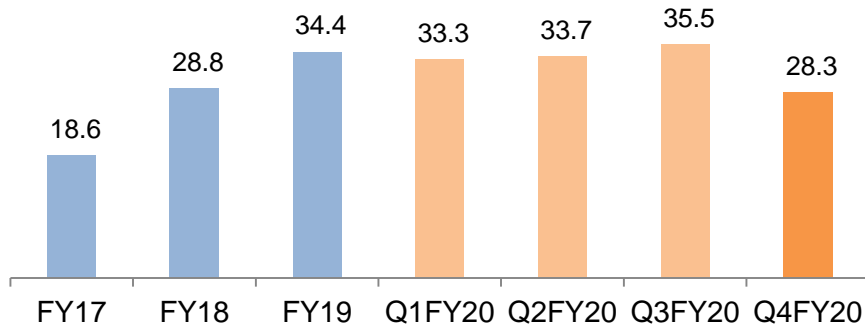


- Open architecture model in distribution
- MF and Insurance are retail focus products with good long term growth prospects
- Insurance premiums amounting to Rs 1,032 Mn have witnessed 49% y-o-y growth in FY20
- SIP transactions of a monthly average of 89k for the period ended March 31, 2020 have witnessed a CAGR of 30% for the period FY17 – FY20
- Financial Product Distribution revenue has grown consistently over the last three years, constituting ~20% of total income



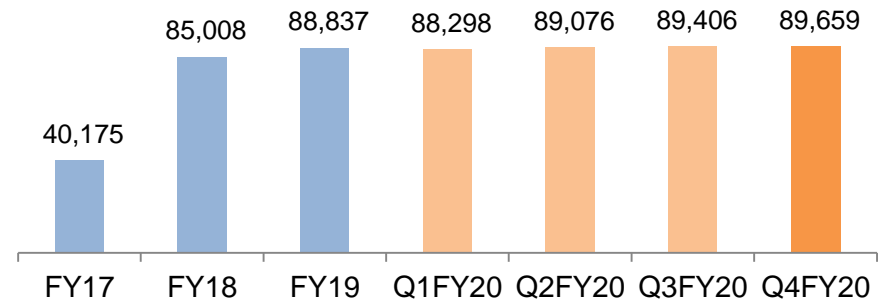
# Retail Focus on Insurance and Mutual Funds

## Mutual Fund AUM (₹ Bn)

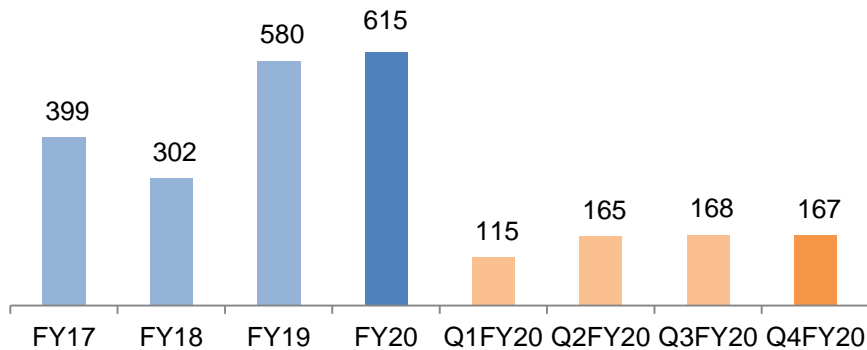


## SIP Transactions (Count)

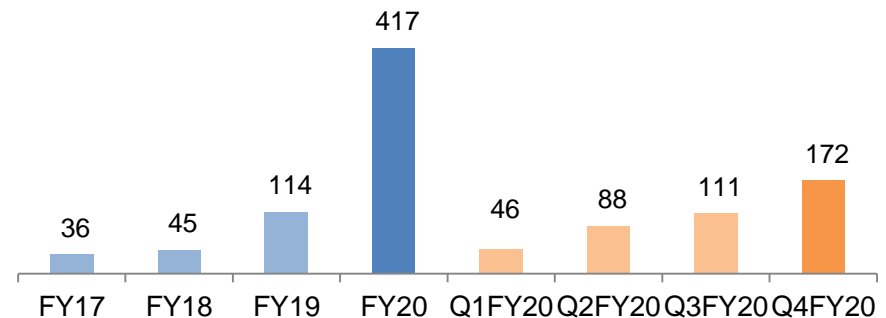
SIP AUM as at March 31, 2020 was ₹5.4 Bn



## Life Insurance Premium (₹ Mn)



## Non-life Insurance Premium (₹ Mn)



Technology has been the cornerstone for IIFL's strong presence in the broking industry

- The self-serviced segment is catered to with a Digital, Mobile First strategy. Our mobile applications IIFL Markets and IIFL Mutual Funds are widely used for mobile trading
- Partner serviced channel is also enhanced with use of AAA tablet based proprietary software
- Mobile trading constitutes 50% of number of retail clients and 43% of retail broking revenue



**IIFL Markets**



Comprehensive, market leading trading and investment app

3.4 Mn downloads

Highest rated (4.3) & Most downloaded stock trading App



**IIFL Mutual Funds**



Dedicated app for Mutual Fund advisory, investments and investment management

~900,000 downloads

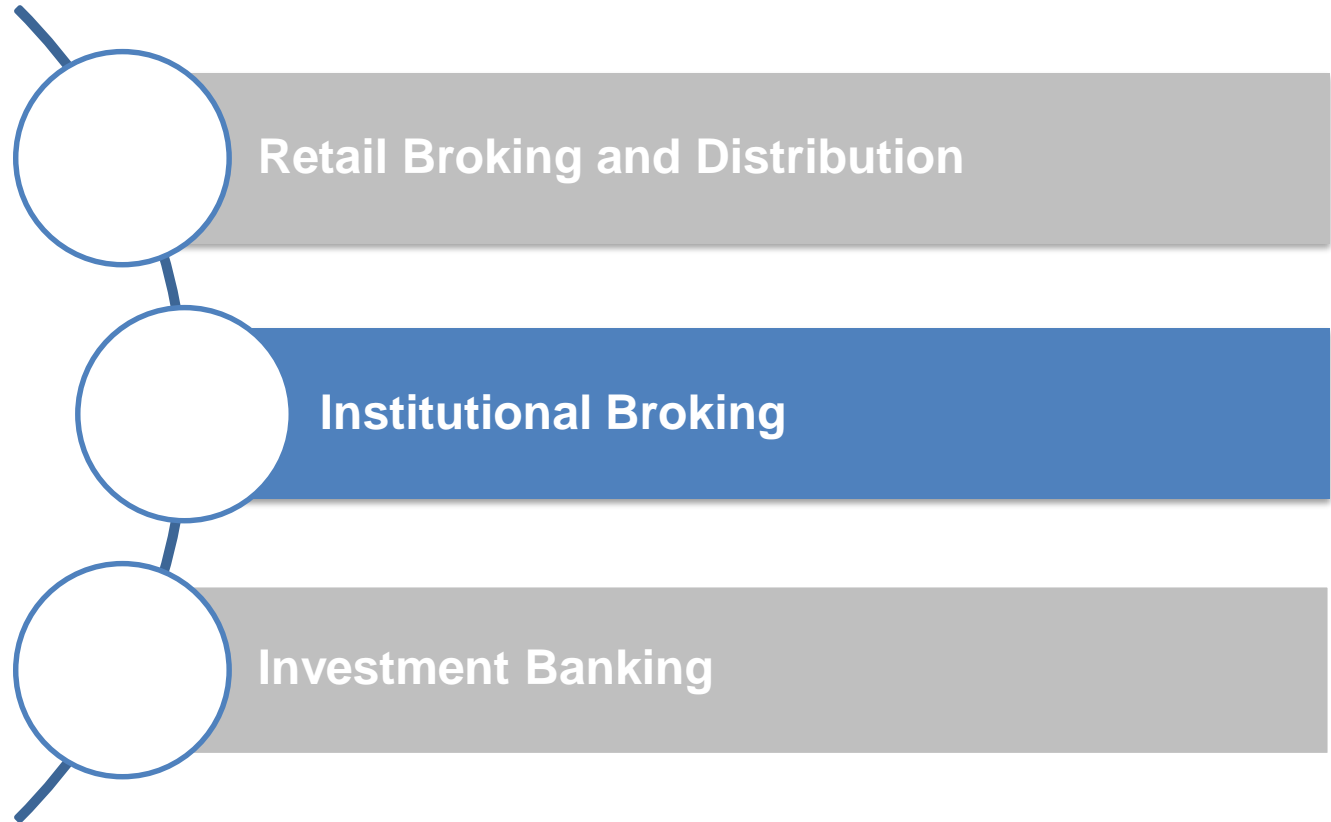
Consistently highly rated (4.2)



**Advisor Anytime Anywhere (AAA)**

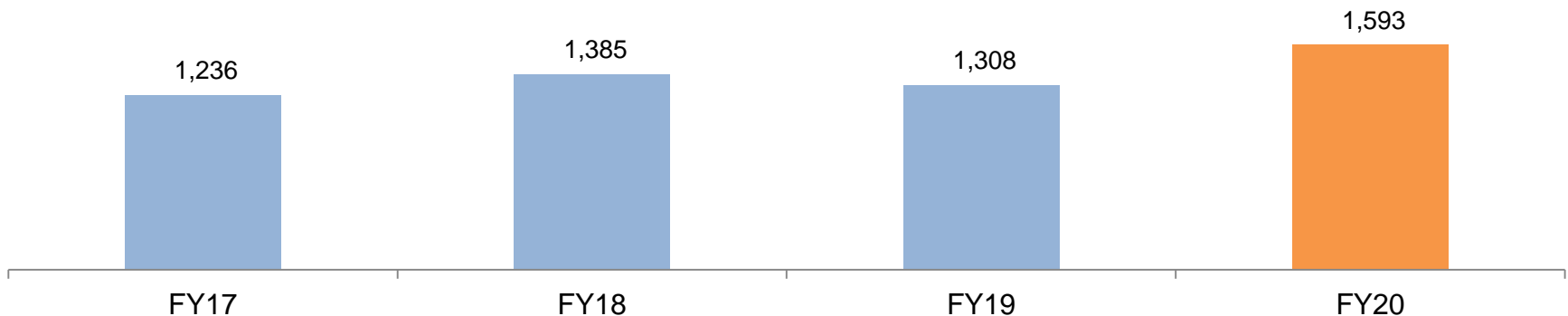
AAA is a mobile office solution providing execution, reporting, monitoring and learning capabilities in a single tab-based platform with zero investment and freedom to operate at anytime from anywhere

Significant investment has been made in the AAA platform to offer a comprehensive office for partners. AAA enhances our capability to reach investors in smaller towns and cities where other channels are not available or effective



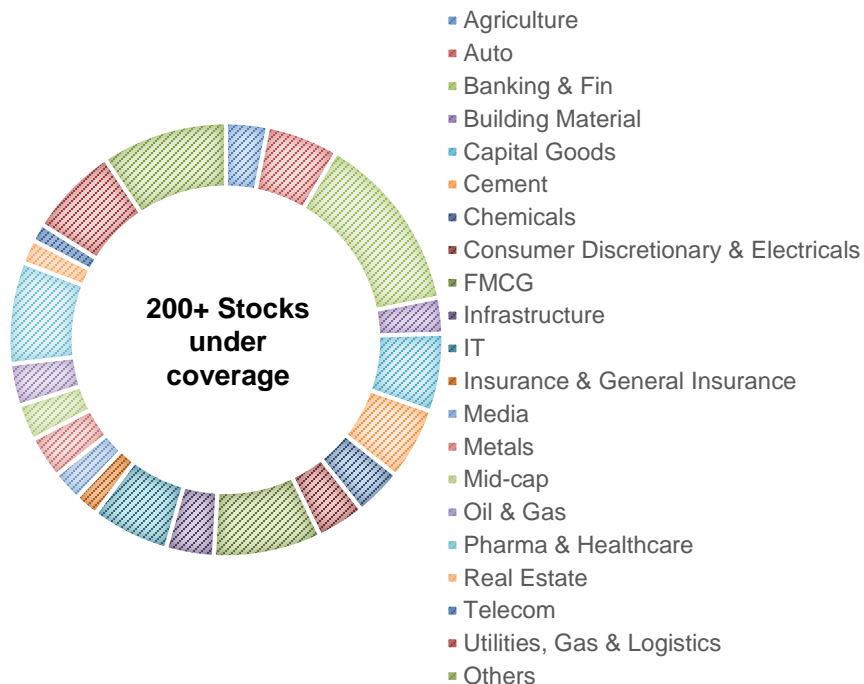
- Among the top franchises on the street, 83 member team with offices in Mumbai, New York and London
- 675+ institutional (domestic and foreign) clients
- Wide customer base covering sovereign wealth funds, foreign portfolio investors, mutual funds, insurance companies, banks, pension funds and alternate investment funds
- 200+ stocks under research coverage accounting for over 80% of India's market capitalization
- Market leader in block placements – over US\$ 4.5 billion of blocks executed in FY20

## Institutional Broking Revenues (₹Mn)



## Comprehensive Research Coverage across Sectors

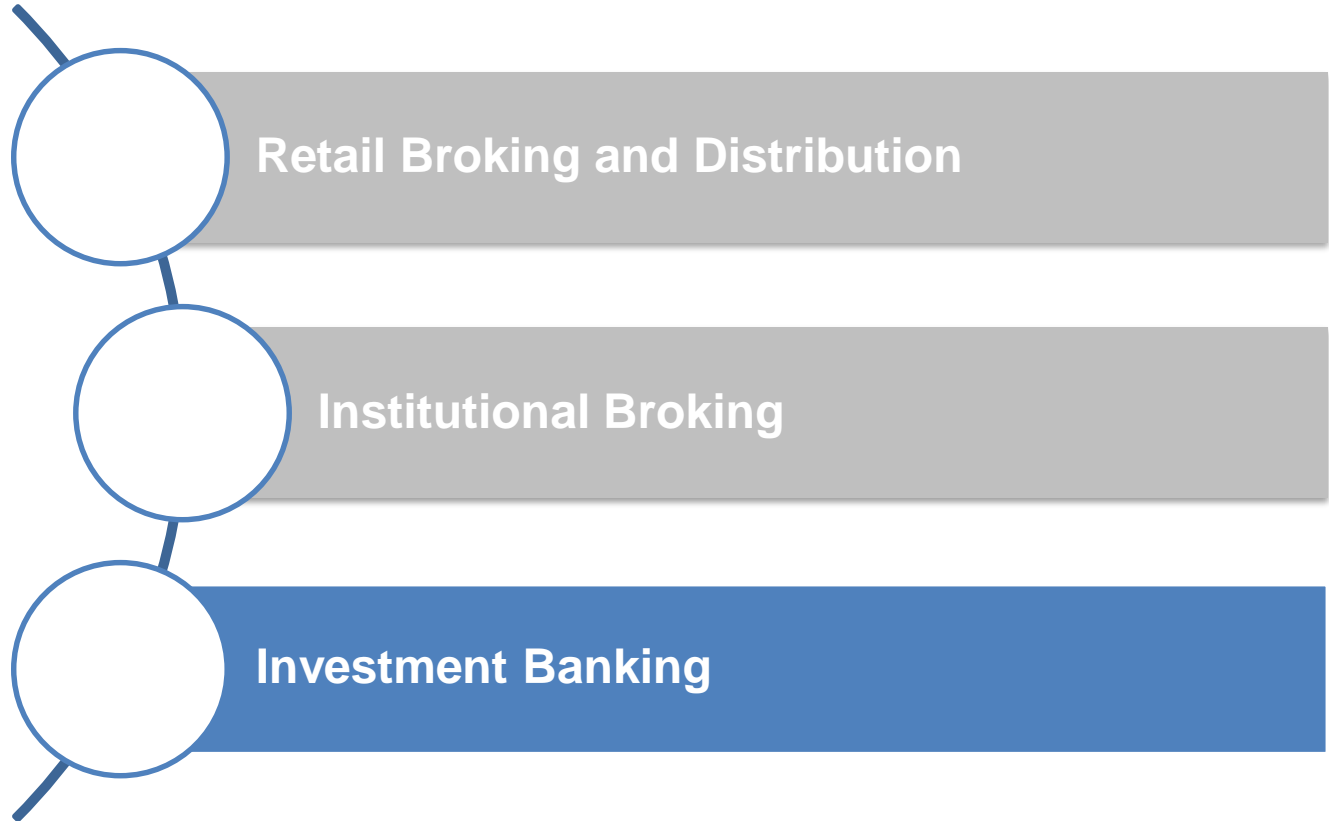
### Sector-wise break up of stocks under coverage



### Market Cap^ break up of stocks under coverage

Market Cap bracket	IIFL Research Universe
Above US\$ 10 bn	42
Between US\$ 5 bn and US\$ 10 bn	34
Between US\$ 3 bn and US\$ 5 bn	30
Between US\$ 1 bn and US\$ 3 bn	57
Between US\$ 500 mn and US\$ 1 bn	29
Below US\$ 500mn	32
<b>Total</b>	<b>224</b>

- Pedigreed institutional equities team comprising 29 analysts covering 200+ stocks across 20+ sectors accounting for over 80% of India's market capitalization
- Top-tier rankings with most large long-only / domestic mutual funds

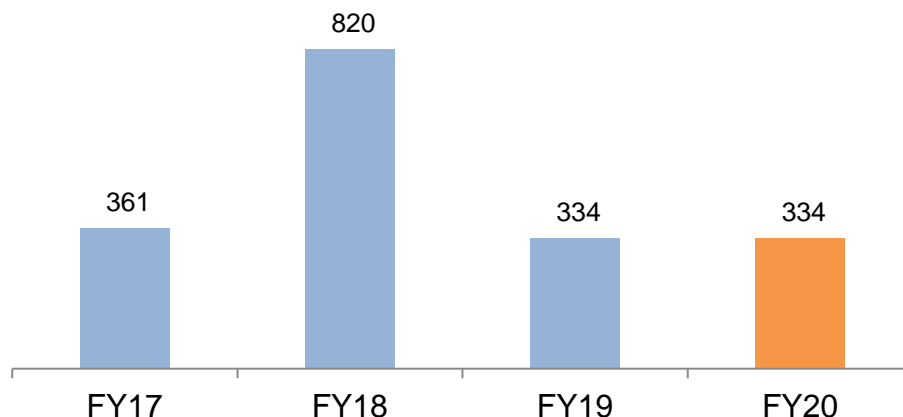




**IIFL ranks #1 Investment Banker  
in FY19 + FY20  
(Private Sector IPOs) both in terms  
of number of IPOs and amount  
raised**

- Rapidly growing franchise – ranked #1 in the league tables in FY19 and FY20 in equity raising through IPOs for private sector corporates both in terms of number of IPOs and amount raised
- Strong pipeline and product diversity with presence in ECM, Private Equity and DCM
- Advising a large number of corporates on private equity and advisory transactions

## Investment Banking Revenues (₹ Mn)



- Completed 16 transactions in FY20 including IPOs, QIPs and private equity advisory/pre-IPOs transactions across capital markets and advisory, despite volatile market conditions
- Continue to diversify product offerings beyond capital markets into debt and private equity advisory transactions.

## Select Equity Capital Market Transactions

<p>Ujjivan Small Finance Bank</p>  <p>Rs.10,000Mn IPO + Pre IPO Dec 2019</p>	<p>RBL Bank</p>  <p>Rs.27,002Mn QIP + Pref Allotment Dec 2019</p>	<p>CSB Bank</p>  <p>Rs.4,097Mn IPO Nov 2019</p>	<p>Spandana Sphoorty</p>  <p>Rs.12,009Mn IPO Aug 2019</p>	<p>Polycab India</p>  <p>Rs.13,453Mn IPO Apr 2019</p>
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## Select Private Equity Advisory Transactions

<p>Berar Finance</p>  <p>Rs.700mn Private Equity Feb 2020</p>	<p>EtechAces Marketing and Consulting</p>  <p>Rs.1,750mn Private Round Dec 2019</p>	<p>LoanTap</p>  <p>Rs.800Mn Private Equity Sep 2019</p>
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## Select Other Transactions (Debt advisory, Buybacks and Placements)

<p>IIFL Finance</p>  <p>Rs.2,442mn Public Issue of NCD Aug 2019</p>	<p>Indian Energy Exchange</p>  <p>Rs.690Mn Buyback Apr 2019</p>	<p>Shree Digvijay Cement Company</p> <p>On-market stake sale post open offer</p> <p>Apr 2019</p>
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Section 5:

# **Governance, Awards and CSR**

# Led by an Independent and Illustrious Board



**Kranti Sinha, Chairman, Independent Director**

- Former CEO of LIC Housing Finance
- Former Deputy President Governing Council of Insurance Institute of India



**R Venkataraman, Managing Director**

- Co-founder of IIFL
- Previous experience with ICICI Bank, Barclays, GE Capital
- MBA from IIM Bangalore, B. Tech, IIT Kharagpur



**Shamik Das, Independent Director**

- Former CTO at Myntra
- M.S. from University of Maryland (USA), B. Tech in Computer Science and engineering from IIT, Kharagpur



**Mohan Radhakrishnan, Whole-time Director**

- Chief Compliance Officer
- Former General Manager at SEBI
- Chartered Accountant



**Rekha Warriar, Independent Director**

- Former Regional Director (West Bengal and Sikkim), RBI
- Former Chief General Manager -Internal Debt Management Department - RBI Financial Stability Unit



**Narendra Jain, Whole time Director**

- Head Operations
- Previous experience with ICICI and HPCL
- Chartered Accountant

# Awards & Recognitions

**Best Product Launch PR Campaign  
2019' Award for AAA - Advisor  
Anytime Anywhere**



**At  
Corporate  
Communications &  
PR Awards 2019**

**"Leader in Go Green Initiative "  
Award**



**At NSDL Star Performer Awards  
2019**



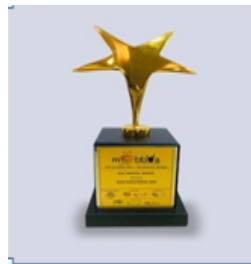
**'Company of the  
Year 2019'**

**by  
The CEO Magazine**



**Best IPO award for  
Embassy Office REIT**

**at  
The Asset Triple A Country Awards**



**The Mobby's  
Award for Best  
Financial Website**

**At  
World Marketing  
Congress**

**"Leadership in Customer Service  
in Financial Services Sector"**



**At The 7th Edition of World Quality  
Congress & Awards**



**'Best Use of Digital  
Media/Platform in the  
share trading category'  
Award**

**At  
INKSPELL for IIFL Markets App**



**IIFL Group awarded the 'Great  
Place to Work' Certification**



**'Going The Extra Mile'**

**from MCX**

IIFL strongly believes in community development and sincerely undertakes multiple CSR initiatives focused around Education, Financial Literacy and Environment protection, among others.

During the last quarter we also made humble contributions to the PM Cares fund and participated in local relief initiatives to do our bit towards those worse affected by the crisis.

## Covid-19 relief

- IIFL Securities contributed Rs 5.0 Million to the PM Cares Fund
- The founders and employees of IIFL contributed a further Rs 4.0 Mn as part of a one-day salary donation drive
- On a regional front , IIFL directed Rs 500,000 towards various hospitals for sourcing and distribution of safety kits, masks and other essentials

## Education Initiatives



**Sakhiyon Ki Baadi (SKB)** is a community based learning centre for girls in the age group of 4 to 14 years to address the situation of illiteracy among girls in rural Rajasthan.



## Financial Literacy

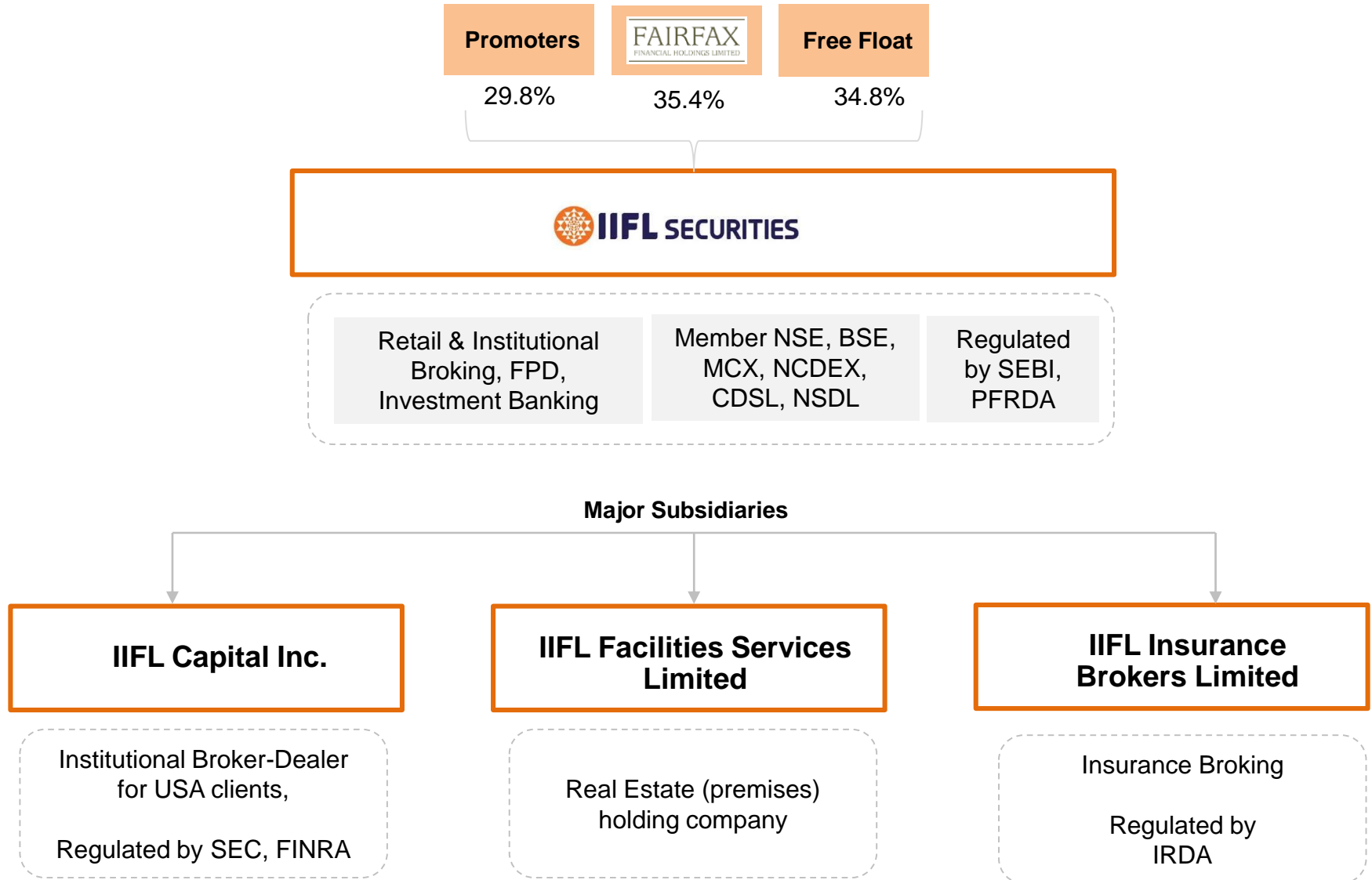
IIFL Foundation's 'Financial Literacy Program for Women' – Is an interactive 5 part training module that spans over 3 months aiming to bridge the gender gap in financial literacy in India



Section 6:

# **Annexures**

# Annexure I - Corporate Structure and Ownership



# Thank You

Published in May 2020

IIFL Securities Limited

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