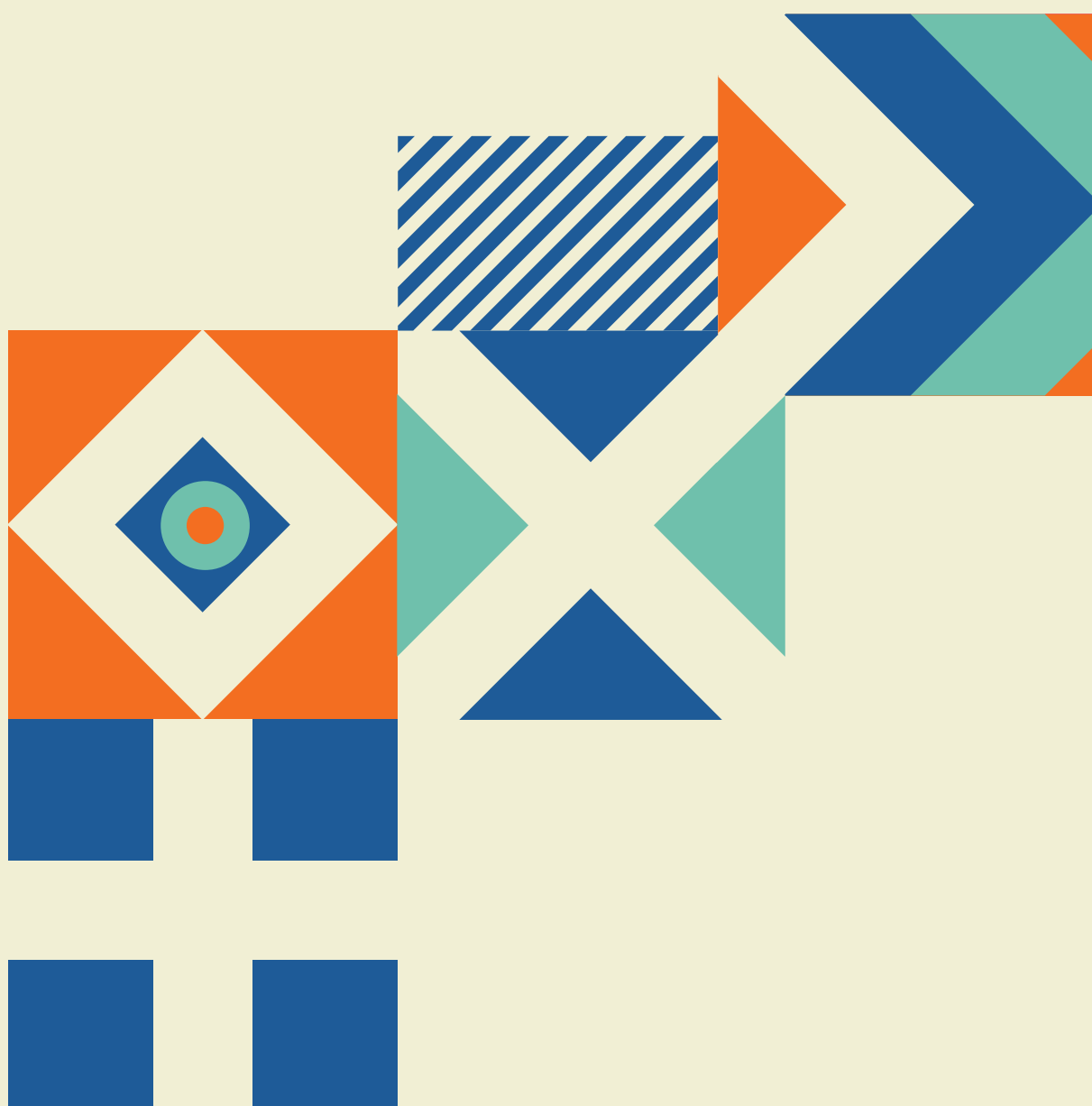
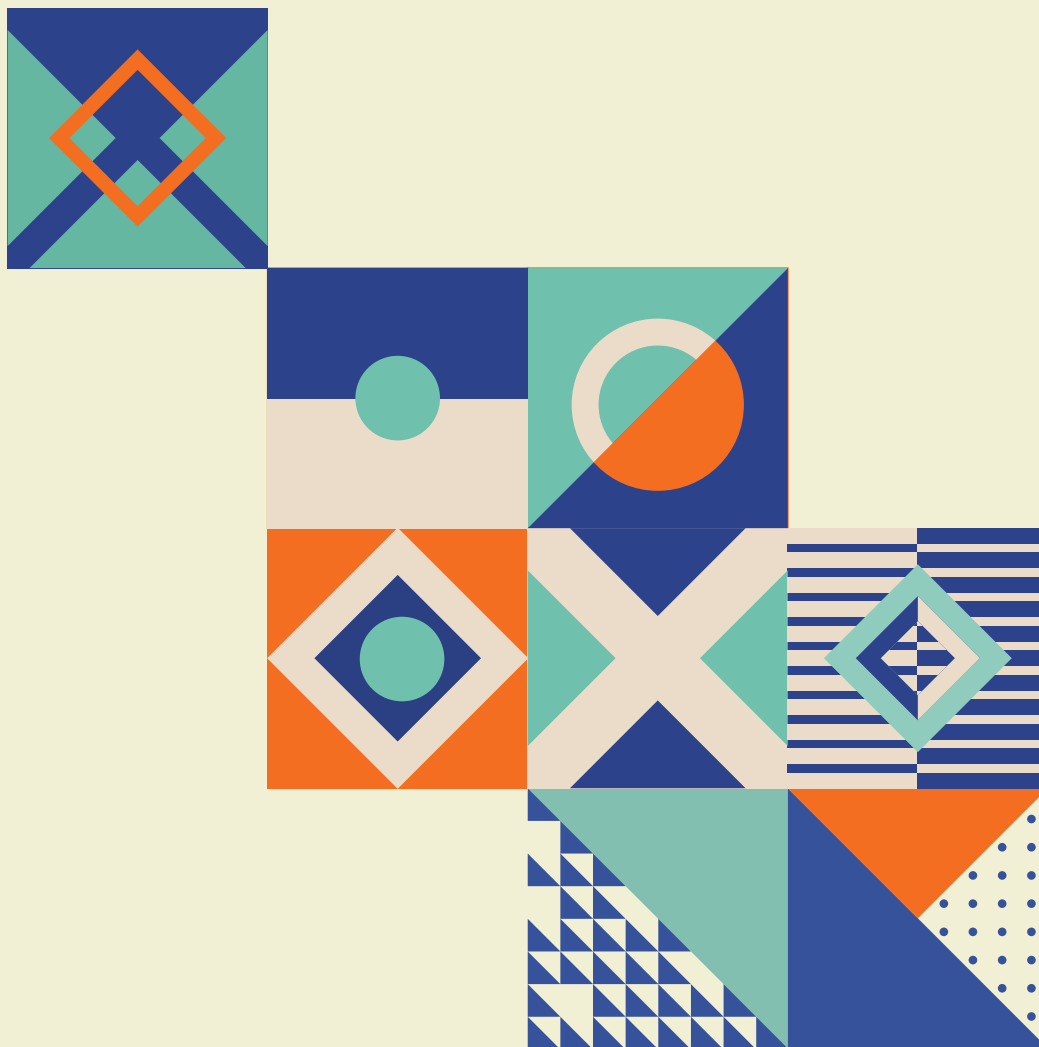


# Durable and De-risked Growth



**2016-17**

22<sup>nd</sup> Annual Report | IIFL Holdings Limited



Over the years, IIFL has evolved from an entrepreneurial start-up to one of the leading players in the financial services domain. The business model is de-risked by adding various businesses, asset classes, client segments and markets in adjacent spaces.

On the cover, positive mathematical shapes like the plus, multiplication and greater-than signs are combined to represent the Company's durable and de-risked growth.



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**PAT \***  
₹ 8.22 billion  
up 48% y-o-y

**ROE**  
17.7%

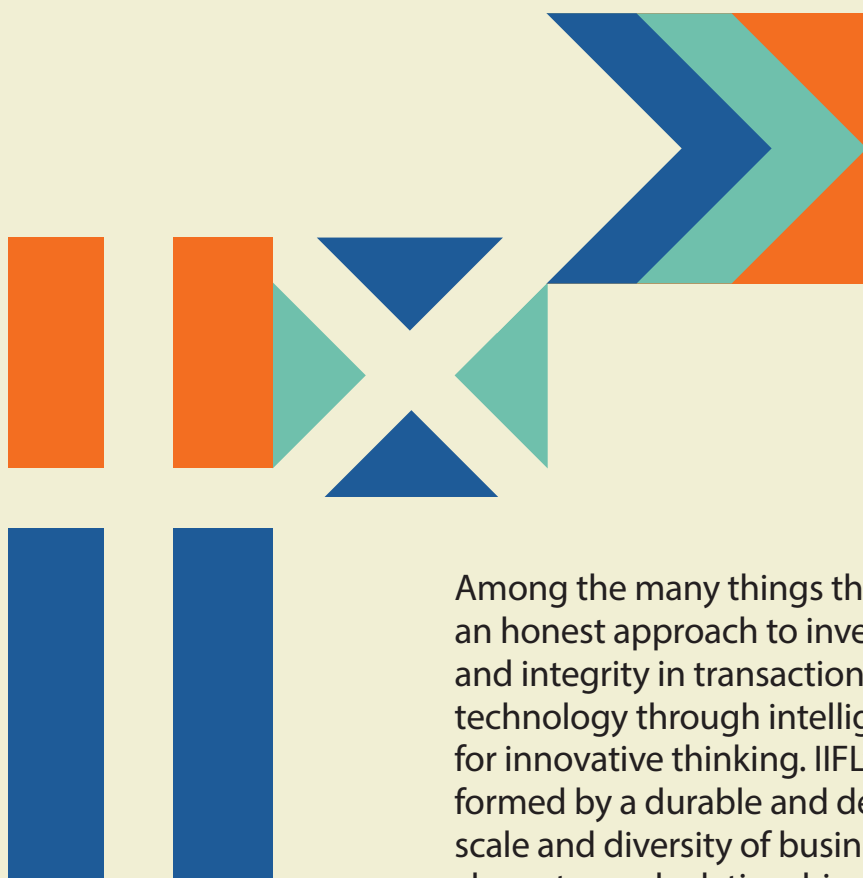
**Market Capitalisation**  
as on March 31, 2017  
₹ 127.23 billion

**Networth**  
₹ 43.81 billion

\* Pre-minority

Our aspiration is to be a respected, world-class, diversified financial services firm with a portfolio of high-quality growth businesses.

Our Mission 2020 comprises 3-Ds: Double the revenue and achieve a net profit growth of 2.5 times from FY16 to FY20, business model to be Durable so that it can sustain growth and is less vulnerable to volatility and De-risk the business model in terms of geographies, customer base and product portfolio.



Over the years, we have reinforced our various businesses, working to de-risk them to enhance sustainability, and are ready to take advantage of the India growth story. Technology is helping us improve our customer proposition further and achieve greater benefits of scale in our businesses.

Among the many things that our clients value us for are an honest approach to investment advice, transparency and integrity in transaction, an ability to leverage technology through intelligent solutions and a desire for innovative thinking. IIFL's competitive advantage is formed by a durable and de-risked portfolio growth, scale and diversity of businesses and the quality, character and relationships of people.



## IIFL AT A GLANCE

IIFL is one of India's leading diversified financial services company providing a broad range of financial products and services to a substantial and diversified client base that includes small businesses, institutions and individuals.

IIFL's products and services span multiple asset classes and consumer segments across domestic and global geographies. The company and its subsidiaries are mainly engaged in loans and mortgages, wealth management and capital market businesses. The loans and mortgages business includes non-

banking finance, housing finance and micro finance. The wealth management business is engaged in wealth management and asset management. The capital market business includes financial advisory and broking, institutional research, investment banking and financial product distribution.



### VISION

**"To be the most respected financial services company in India."**  
- Not necessarily the largest or most profitable



### VALUES

#### FAIRNESS

**Fairness in our transactions with all stakeholders including employees, customers and vendors, bereft of fear or favour.**

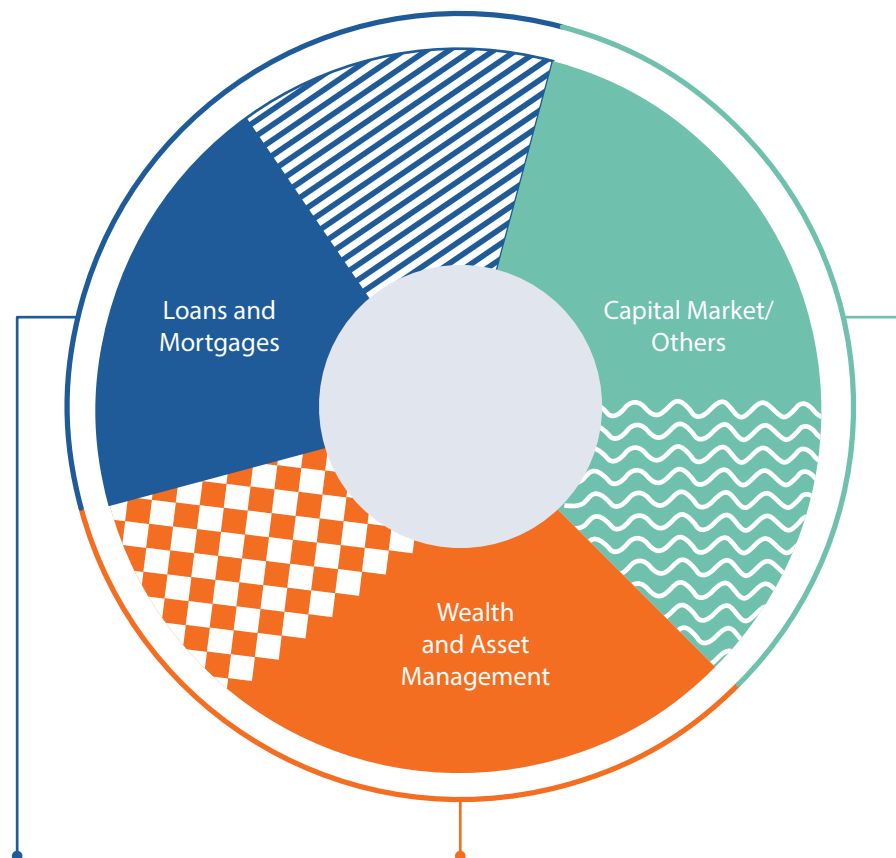
#### INTEGRITY

**Integrity and honesty of the utmost nature, in letter, in spirit, and in all our dealings with people, internal or external.**

#### TRANSPARENCY

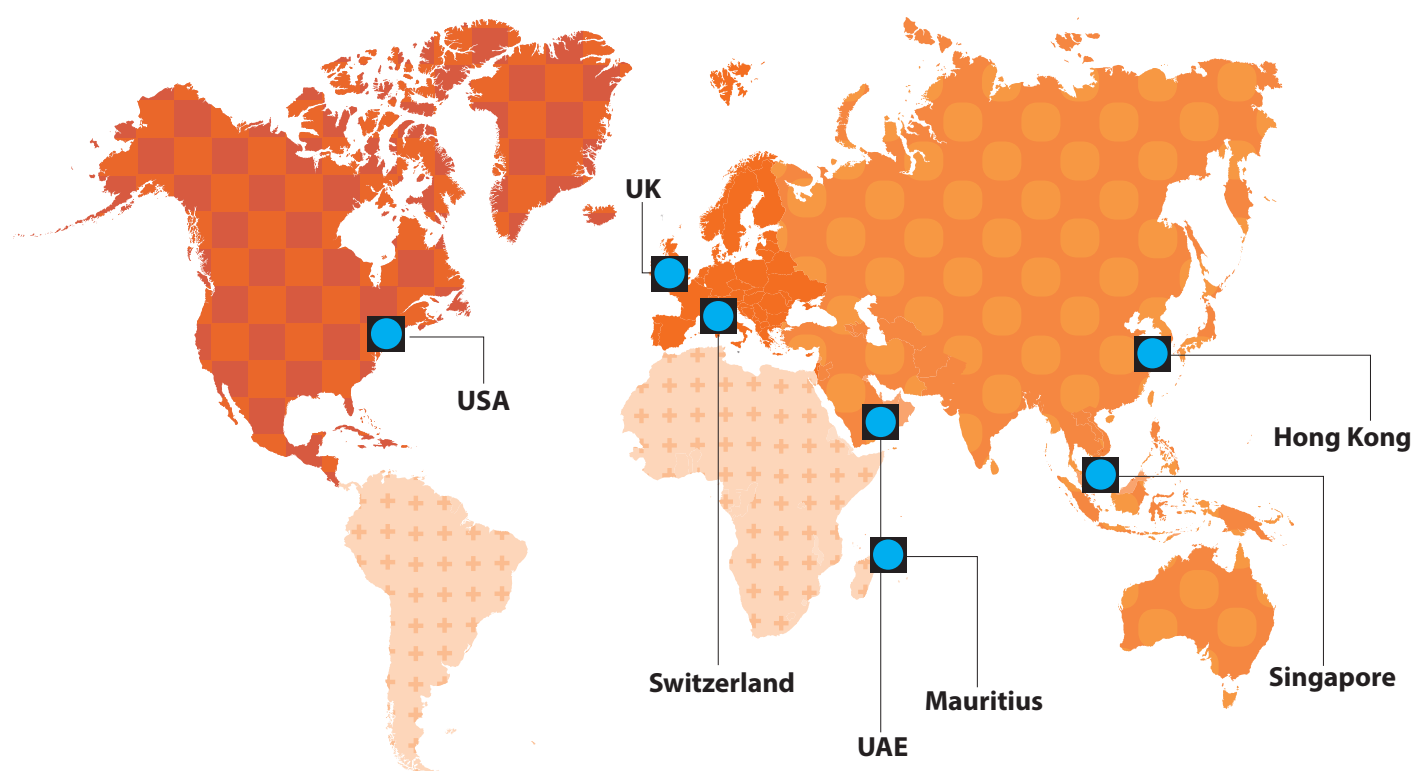
**Transparency in all our dealings with stakeholders, media, investors and the public at large.**

## Business Segments



	Loans and Mortgages	Wealth and Asset Management	Capital Market/ Others
<b>Business</b>	Diversified non-banking finance company, offering loans secured against collaterals of home, property, gold, medical equipment, commercial vehicles, shares and other securities, and small business loans. Also added micro finance segment through the acquisition of Samasta Microfinance.	One of the largest and fastest growing Wealth Management companies in India with assets under advice, management and distribution of ₹ 1,201 billion.	One of the leading broking houses in India with extensive presence all over the country providing financial planning, investment banking and broking services in mutual funds, equity, commodities and currency trading.
<b>Products</b>	Home, Loan against Property, Gold, Construction & Real Estate, Commercial Vehicle, Capital Market, SME, online personal loans and Microfinance loans.	Family Office, Alternative Investment Funds, Advisory and Distribution service.	Retail and Institutional Broking, Investment Banking.
<b>Distribution Channels</b>	Agents, Banks, Brokers, Direct, other distribution agreements.	Agents, Banks, Brokers, Direct, other distribution agreements and independent financial advisors.	Agents, Banks, Brokers, Direct, other distributors and independent financial advisors.
<b>Financials FY17</b>	Income ₹ 13.77 billion Net Profit ₹ 4.23 billion	Income ₹ 8.34 billion Net Profit ₹ 2.50 billion	Income ₹ 6.22 billion Net Profit ₹ 1.48 billion

## International Subsidiaries' Locations



Our international subsidiaries are governed by the respective global regulators including Financial Services Authority, UK, Securities Exchange Commission, USA, Monetary Authority of Singapore, Dubai Financial Services Authority and Securities and Futures Commission, Hongkong.



### Key Facts

#### Asset Base

₹ 299 billion

#### PAT \*

₹ 8.22 billion

#### Locations

2,250+

#### Team

~11,000

#### Clients

4 million +  
300 global funds

\* Pre-minority



## KEY DIFFERENTIATORS

### A comprehensive portfolio

We have a robust business model encompassing multiple revenue streams across all segments of financial services. Our range of financial products is diverse and is constantly evolving as we are committed to meeting our clients' changing needs.



### Relentless client focus

We have a fiduciary relationship with our clients. Their interests always come first. It is our mission to deliver results for our clients, and protect and improve the value of assets they entrust to us. We deliver an unmatched client experience by adapting multifaceted solutions based on a deep understanding of each client's specific investment objectives.



### Superior investment performance

Our primary responsibility is to generate superior investment performance on behalf of our clients. Our team-based approach to portfolio management enables us to address our clients' investment objectives and challenges, while meticulously managing risk in their portfolios. Our culture of knowledge sharing and collective intelligence boosts our ability to exceed our clients' performance expectations.



### Global and domestic reach

IIFL has a broad footprint, supporting a global investment platform and local relationships with clients. Our deep understanding of local markets, industries and regulatory dynamics, positions us to maximize investment opportunities for clients in 9 countries. In India our presence spans 503 cities across 25 states.





### Top talent and winning culture

We have recruited and developed high quality talent across our businesses, enfolded in a winning culture that gives emphasis to collaboration, integrity and treating clients and colleagues with dignity and respect.



### Good corporate governance

Corporate Governance is based on a clear allocation of responsibility, a well-developed structure for management, internal control and ownership. We have a high-quality Advisory Board and a distinguished set of Independent Directors, providing an informed perspective and oversight to Management.



### Cutting-edge technology

IIFL has intensified its focus and is investing significantly on new age mediums and digital technologies. The technology platform has enabled the company to achieve high standards of customer service at comparatively lower cost structures. One of the key features of the technology strategy is to establish long-term partnerships with best-in-class technology service providers that will enable co-creation of value and facilitate the provision of differentiated solutions to our customers. Our open platform enables us to integrate and leverage best in-breed technologies, allowing us to work seamlessly with technology partners such as research agencies and cloud-service providers to develop innovative solutions for our stakeholders.



### Sound risk culture

Risk management is an integral part of ensuring that we deliver on the promises we have made to our customers. We do this through growing our business, maintaining capital strength to withstand unexpected events and ensuring adequate returns for the risks we take. We have developed a well-respected risk management discipline for identifying, assessing and managing risks throughout the organization.

We have invested in ensuring that our internal audit and control systems are adequate and commensurate with the nature of our business and the size of our operations.

## OPERATIONAL HIGHLIGHTS



### Commercial Launch of IIFL Wealth Finance

IIFL Wealth Finance, a wholly owned subsidiary of IIFL Wealth Management Limited (IIFLW), has been strongly capitalized by ₹ 9 billion with investment received from General Atlantic Singapore Fund Pte Limited.

IIFLW Finance is a non-deposit taking systemically important Non-Banking Finance Company and provides loan against securities, including capital market financing, promoter funding, margin funding, IPO financing and loan against property to ultra-high net worth individuals and corporate clients of IIFLW.



### CDC Group plc, UK invests ₹ 10 billion

CDC Group plc, the United Kingdom's government-owned Development Finance Institution, invested around ₹ 10 billion in India Infoline Finance Ltd (IIFL Finance). This investment will help in expanding the financing business and address the capital needs of under-served segments through diversified offerings. The investment is by way of Equity Shares and Compulsorily Convertible Preference Shares, which on conversion will result in 15.45% equity stake for CDC on a fully diluted basis.