

# IIFL WEALTH & ASSET MANAGEMENT

Quarterly Performance Review Q1 FY 21

#1 Wealth Manager in India

#1 Manager of Alternates in India



**IIFL**  
WEALTH & ASSET  
MANAGEMENT

# AGENDA

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**BUSINESS HIGHLIGHTS**



**FINANCIAL SUMMARY**



**STRATEGY UPDATE**



**OTHER UPDATES**



**ANNEXURES**

# BUSINESS HIGHLIGHTS

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# A LEADER IN WEALTH MANAGEMENT & ALTERNATES

## #1 Wealth Manager in India

### WEALTH MANAGEMENT

- Discretionary
- Non-Discretionary
- Broking and Distribution Services
- Corporate Advisory & Custody Services

AUM: Rs. 1,49,166 Cr.<sup>1</sup>



Q1 FY 21  
OPBT 69 Crs  
PBT 109 Crs



Q1 FY 21  
PAT 83 Crs



31 Offices



CONSOLIDATED AUM  
INCL CUSTODY ASSETS  
RS. 1,85,862 CR.<sup>1</sup>

## #1 Manager of Alternates in India

### ASSET MANAGEMENT

- Alternate Investment Funds
- Discretionary Portfolio Management
- Mutual Funds
- Global Asset Management

AUM: Rs. 24,702 Cr.



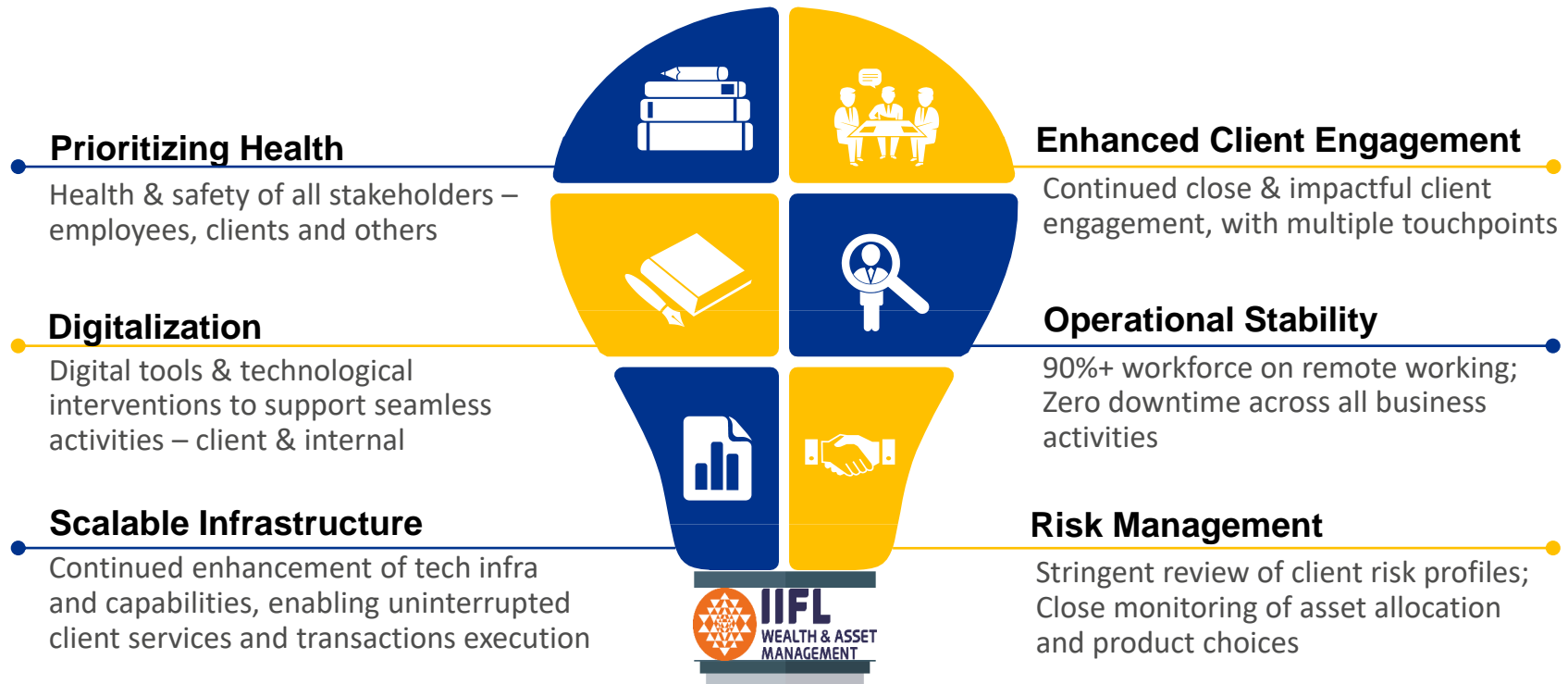
6,200+<sup>2</sup>  
RELEVANT  
FAMILIES<sup>4</sup>



71<sup>3</sup>  
TEAM LEADERS  
WITH 240+ RMS

1. Including 9,919 Crs. AUM from L&T acquisition
2. Including 900+ Relevant Families from L&T acquisition
3. Including 7 TLs from L&T, 37 RMS
4. Relevant Families: Basis Number of families with AUM as on the 30<sup>th</sup> June 2020 in excess of Rs 1 Cr

# IIFLWAM - RESILIENT DURING COVID



- Continuous engagement
- Constant product innovation
- Focus on Long Term Portfolio construction



- Continued work from home
- Significantly increased management interactions
- Enhanced focus on E-Learning and Training



- Continue to support and service frontline workers
- Engagement with NGOs – CSR engagement



# FINANCIAL SUMMARY

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# BUSINESS SUMMARY

INR Cr	FY 21 Q1	FY 20 Q4	FY 20 Q3	FY 20 Q2	FY 20 Q1	Q1 FY21 vs Q4 FY20	Q1 FY21 vs Q1 FY20
<b>Closing AUM</b>							
<i>Annual Recurring Revenue Assets</i>	73,155	62,595	70,434	64,016	63,530	17%	15%
<i>Transactional / Brokerage Revenue Assets</i>	103,568	94,302	101,703	99,276	97,930	10%	6%
<b>Total AUM</b>	<b>176,723</b>	<b>156,897</b>	<b>172,137</b>	<b>163,292</b>	<b>161,460</b>	13%	9%
<i>Less: Double counted Assets</i>	18,450	18,106	21,375	19,436	19,149	2%	-4%
<b>Net Total AUM</b>	<b>158,273</b>	<b>138,792</b>	<b>150,762</b>	<b>143,856</b>	<b>142,312</b>	14%	11%
<b>Revenue from Operations</b>							
<i>Annual Recurring Revenues</i>	128	142	139	125	129	-10%	-1%
<i>Transactional / Brokerage Revenue</i>	71	115	82	107	82	-38%	-13%
<b>Total Revenue from Operations</b>	<b>199</b>	<b>256</b>	<b>221</b>	<b>232</b>	<b>211</b>	-22%	-6%
Other Income	40	-79	23	-19	6	-	567%
<b>Total Revenue</b>	<b>239</b>	<b>177</b>	<b>244</b>	<b>212</b>	<b>217</b>	35%	10%
<b>Costs</b>	<b>130</b>	<b>163</b>	<b>144</b>	<b>130</b>	<b>127</b>	-20%	2%
<i>Employee Costs</i>	<b>97</b>	<b>123</b>	<b>99</b>	<b>83</b>	<b>81</b>	-21%	20%
<i>Fixed Employee Costs</i>	65	71	74	77	78	-8%	-17%
<i>Variable Employee Costs</i>	18	38	17	6	2	-53%	800%
<i>Employee ESOP Costs</i>	14	14	8	0	0	0%	-
<i>Admin and Other Expenses</i>	33	40	46	47	46	-18%	-28%
<b>Profit Metrics</b>							
<i>Operating Profit before Taxes (OPBT)</i>	69	94	77	101	84	-27%	-18%
<i>Profit before Taxes (PBT)</i>	109	14	100	82	90	679%	21%
<i>Profit After Tax (PAT) including OCI and FCTR</i>	83	0	76	70	61	-	36%
<i>Effective Tax Rates</i>	24%	100%	24%	15%	33%		
Retention on Revenue from Operations	0.55%	0.71%	0.60%	0.65%	0.61%		
Retention on Annual Recurring Revenues Assets	0.79%	0.85%	0.83%	0.78%	0.84%		
Cost to Income Ratio	54%	92%	59%	61%	58%		
ROE	11%	0%	10%	9%	8%		
ROE Ex Goodwill & Intangibles	13%	0%	11%	10%	9%		

1. Transactional / Brokerage Income renamed to Transactional / Brokerage Revenue

# KEY FINANCIAL HIGHLIGHTS

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## AUM & Net Flows

- Continued focus on ARR assets – increase of 15% YoY to Rs 73,155 Crs
- Significant momentum in IIFL One – continues to be biggest focus area. Assets increased 13% QoQ to Rs 20,048 Crs; Net flows is Rs 1,270 Crs for Q1FY21
- AUM addition from L&T Wealth acquisition as on 30<sup>th</sup> June 2020 – Recurring Revenue Assets Rs 5,267 Crs, Transactional Revenue Assets Rs 4,653 Crs

## Revenues

- Revenue from Operations decreased 22% QoQ to Rs 199 Crs for Q1FY21, and ARR decreased 10% QoQ to 128 Crs primarily due to MTM impact at the end of Q4 FY20.
- Total Revenues increased by 35% QoQ to Rs 239 Crs for Q1FY21 primarily due to MTM impact on Other Income

## Cost

- Excess liquidity cost remained high at 15 crs down from 20 Crs last quarter. We continue to work on optimizing the asset/liability mismatch to reduce this cost
- Fixed Employee Costs reduced 8% QoQ to Rs 65 Crs and Administration costs decreased 18% QoQ to 33 Crs;

## Profitability

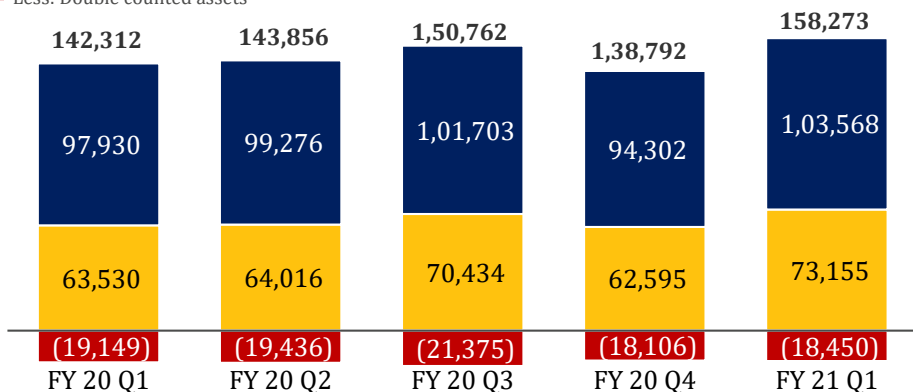
- PBT increased 670% QoQ and 21% YoY to Rs 109 Crs
- PAT of Rs 83 Crs reported in Q1FY21, vs NIL in Q4FY20



# KEY BUSINESS HIGHLIGHTS - AUM AND NET FLOW

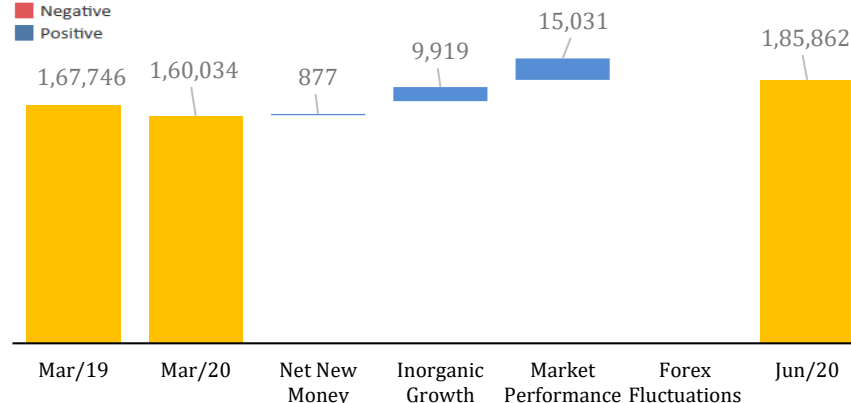
## Assets Under Management (Rs. Cr.) Excluding Custody

- Annual Recurring Revenue Assets
- Transactional / Brokerage Revenue Assets
- Less: Double counted assets



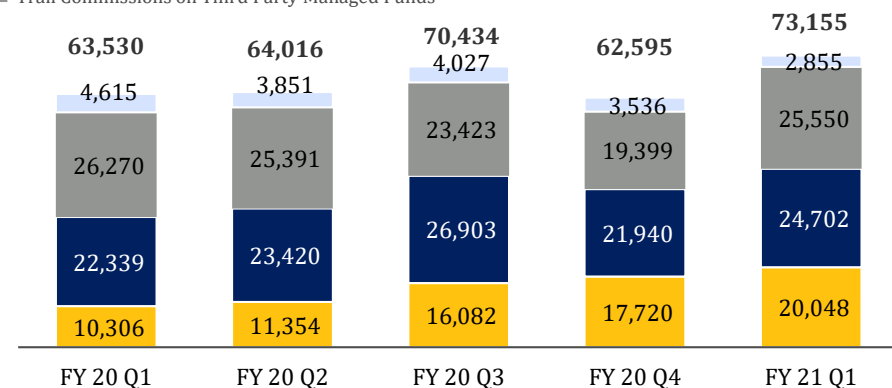
## Net Flows including Custody<sup>1</sup>

- AUM (In Crs.)
- Negative
- Positive



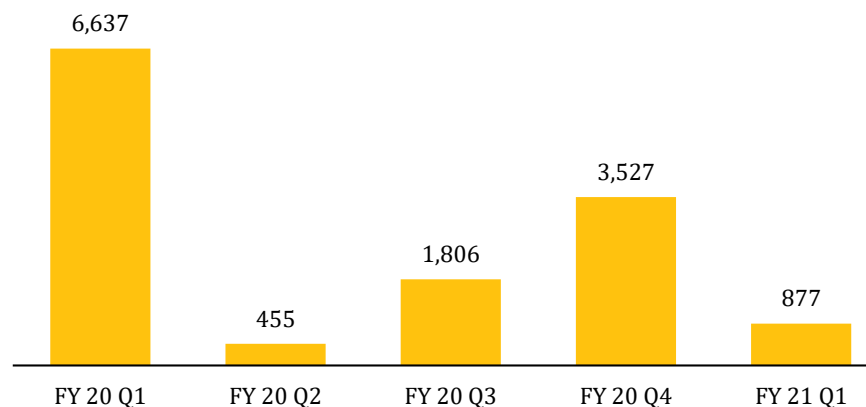
## Annual Recurring Revenue Assets (Rs. Cr.)<sup>2,3</sup>

- IIFL One Assets
- Funds Managed by IIFL AMC
- Loans
- Trail Commissions on Third Party Managed Funds



## QoQ Net Flows including Custody excluding acquisition

- Net New Money



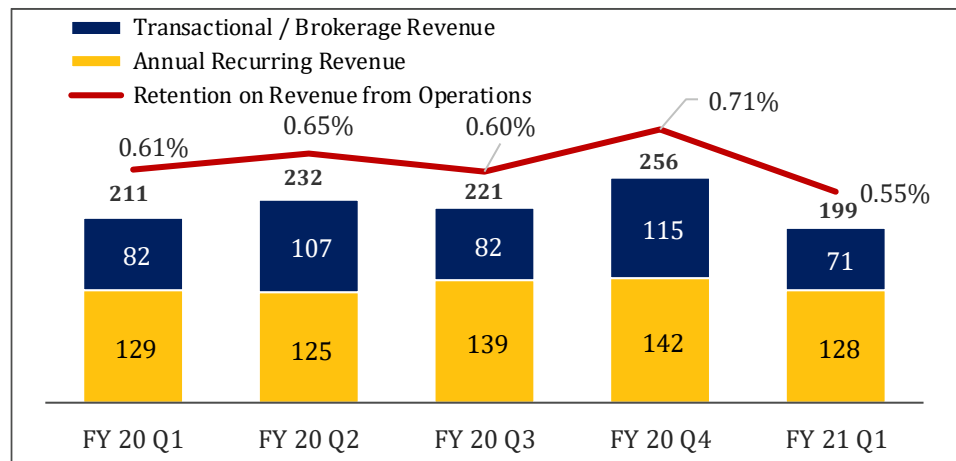
1. Closing AUM related to L&T as n 30<sup>th</sup> June 2020

2. Fees on PMS - Discretionary / Non Discretionary & Advisory renamed as Fees on IIFL One Assets

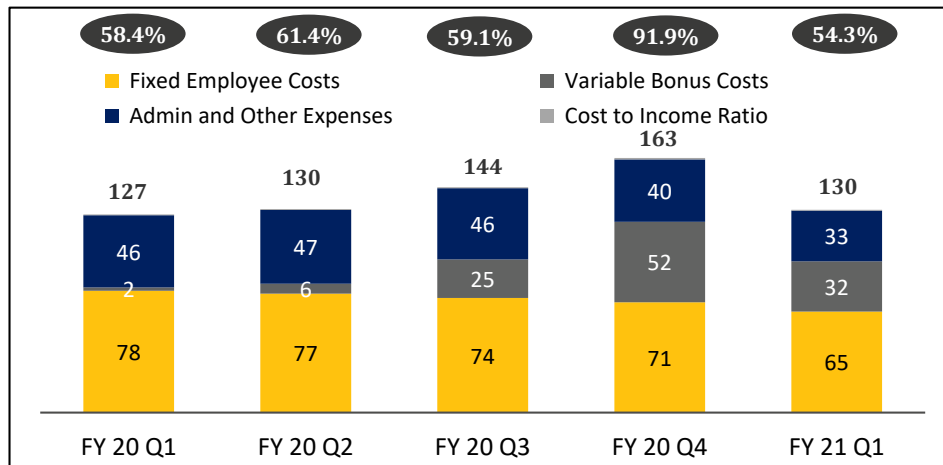
3. Commissions on Mutual Funds Distributed - Trail & Commissions on Managed Accounts Distributed - Trail clubbed together as Trail Commission on Third Party Managed Funds

# KEY BUSINESS HIGHLIGHTS - REVENUE, COST AND PROFITABILITY

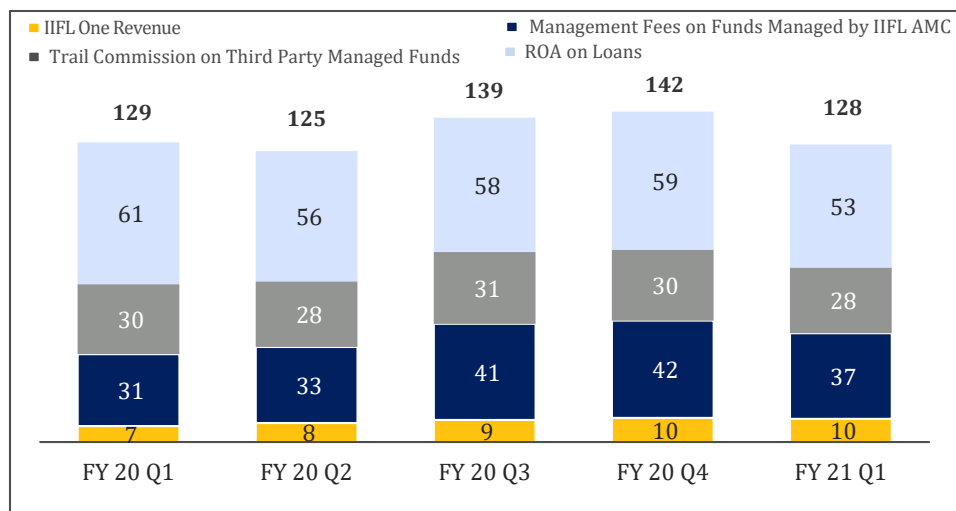
## Revenues from Operations (Rs. Cr.) & Yields (%) QoQ



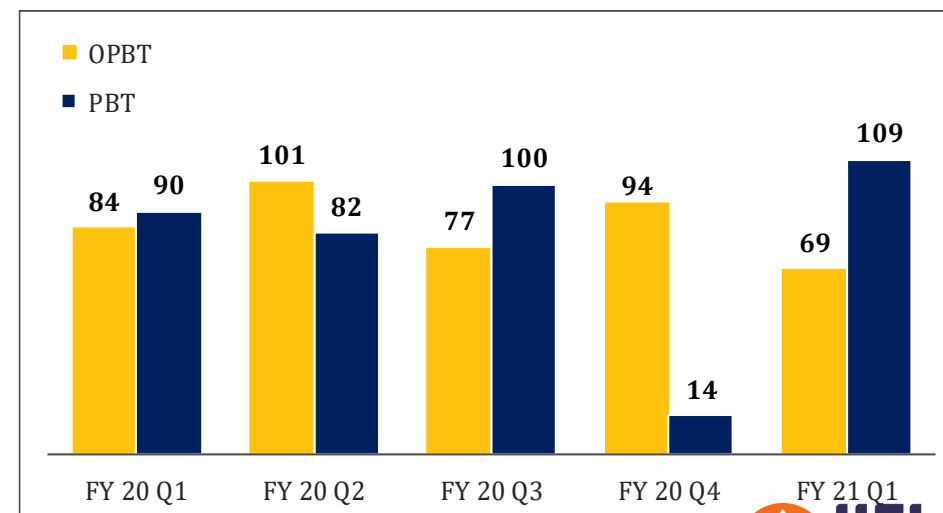
## Cost Mix (Rs. Cr.)



## Annual Recurring Revenues (Rs. Cr.)<sup>1,2</sup>



## Operating PBT and Reported PBT



1. Fees on PMS - Discretionary / Non Discretionary & Advisory renamed as IIFL One Revenue

2. Commissions on Mutual Funds Distributed - Trail & Commissions on Managed Accounts Distributed - Trail clubbed together as Trail Commission on Third Party Managed Funds

# CURRENT CAPITAL ALLOCATION

## Net Worth

**3,090 Cr.**

## Goodwill + Intangibles + Select Fixed Assets

**790 Cr.**

### Goodwill & Intangibles On Acquisition of

• WAI	251
• LT	244
• Others	22

Select FA 273

## Wealth

**1,900 Cr.**

NBFC	1,400
Brokerage & Distb.	425
IIFL One	75

## AMC

**400 Cr.**

Sponsor Capital In AIF	275
PMS + MF	70
IIFL Capital	55

## Key focus areas for Capital Allocation



### Optimize Capital Use

*Review and optimization of  
capital deployed across  
businesses / entities*



### Explore potential avenues of Capital release



### Aggressive Dividend Policy

*Payout ~50% - 75% PAT*

# STRATEGY UPDATE

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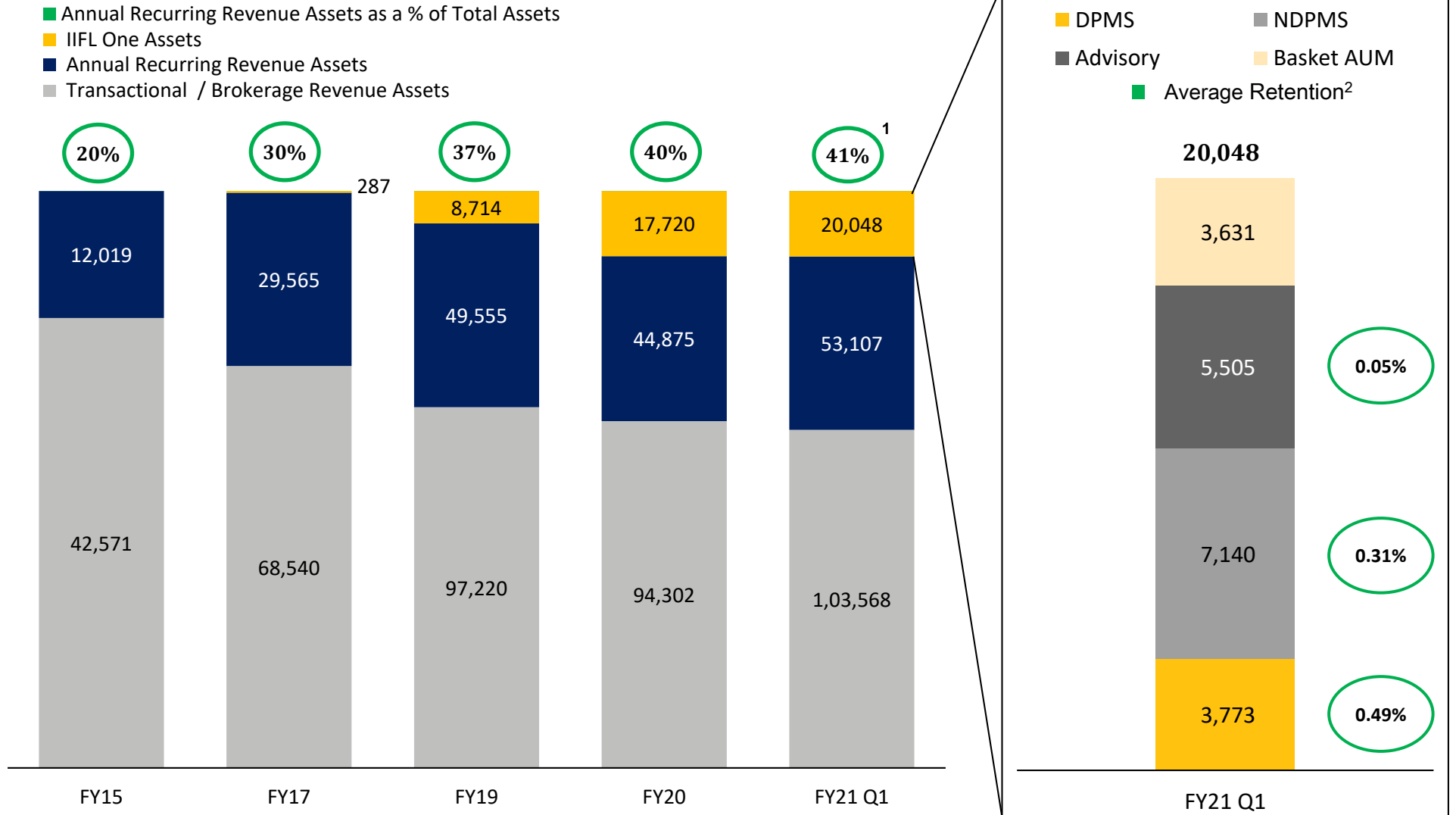
# STRATEGY UPDATE

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- Client sentiment remains cautious with an increasing bias towards high quality debt and structured opportunities. With markets stabilizing low returns from fixed income instruments are resulting in clients being open to new ideas and opportunities
- The IIFL One proposition continues to grow, client feedback and acceptance continues to give us confidence to further expand our business model towards a more transparent and fee driven revenue stream.
- We continue to add focused, high potential strategies to our asset management platform with a firm view on maintaining our leadership position in the alternates space.
- While sentiment seems to be slowly turning, our overall outlook for the coming year remains cautious with many variables and their effects still unknown. Our focus therefore firmly remains on
  - Enhancing our digital platform to effectively combine our deep client relationships with a new age digital delivery model
  - Reduction and Optimization of Costs and Productivity enhancements to achieve optimum operating leverage
  - Effective Rationalization of capital and continuous evaluation of inorganic growth opportunities.



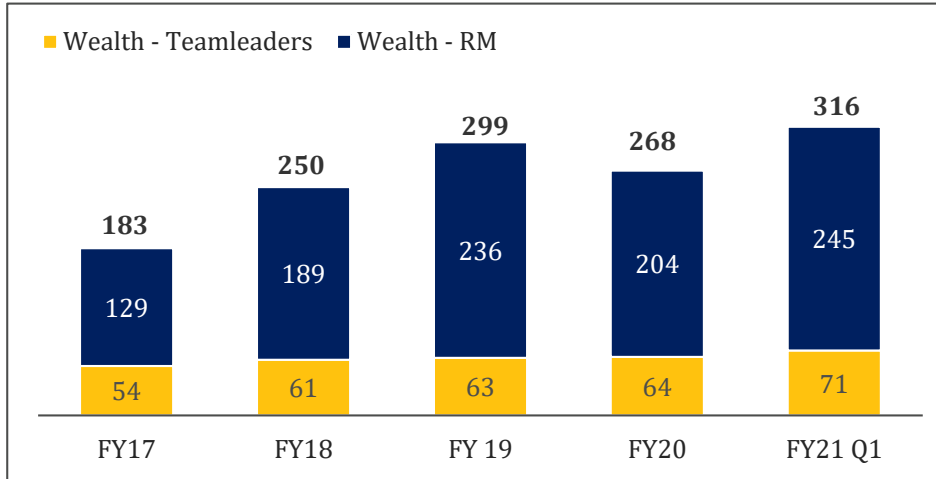
# WEALTH UPDATE - STRONG MOMENTUM TOWARDS ARR



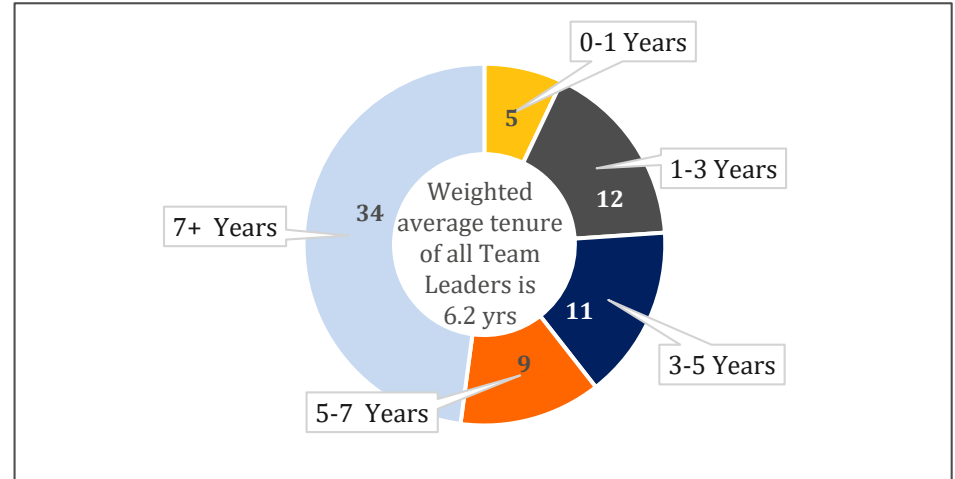
1. FY 21 Numbers only for Q1, values denoted are basis Closing AUM numbers  
 2. Retention Nos. are calculated on Average Daily AUM

# WEALTH UPDATE - HIGH EMPLOYEE RETENTION

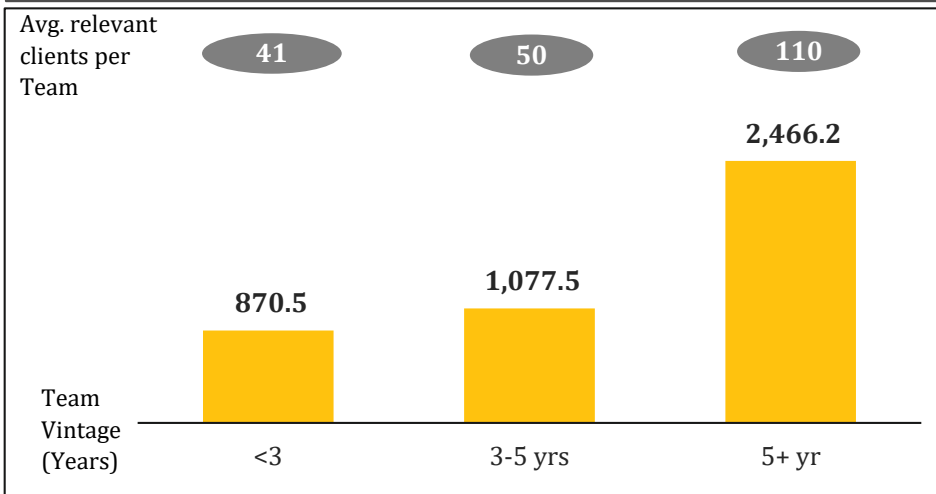
## RM Buildup<sup>2</sup>



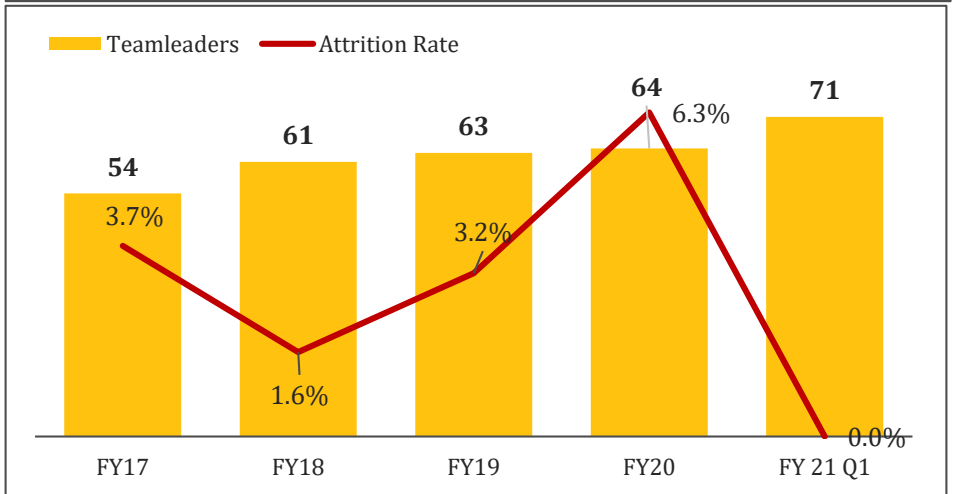
## 60% of Team Leaders have more than 5 year vintage in IIFL Wealth



## Avg. AUM per Team by Vintage (Rs Crs.)

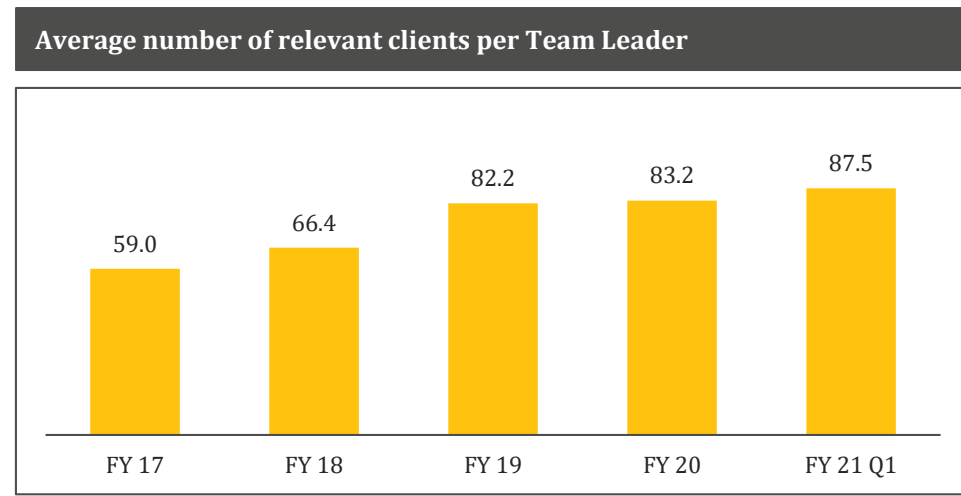
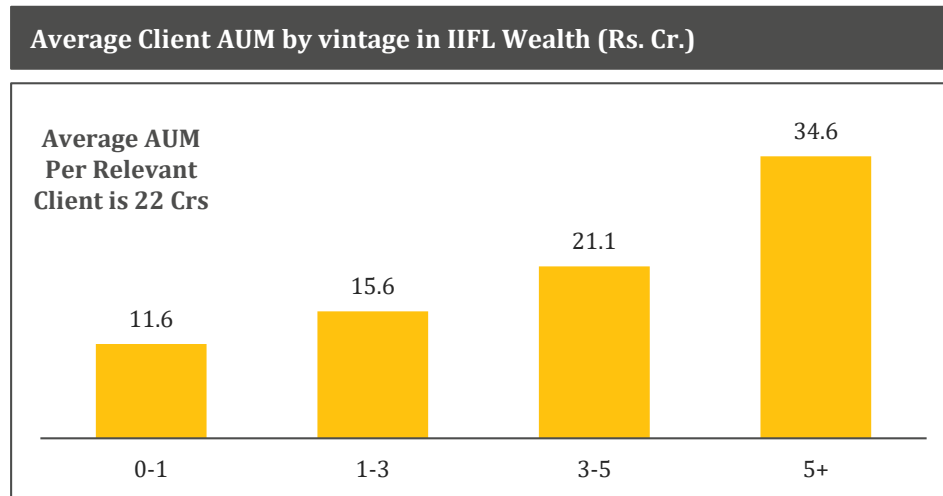
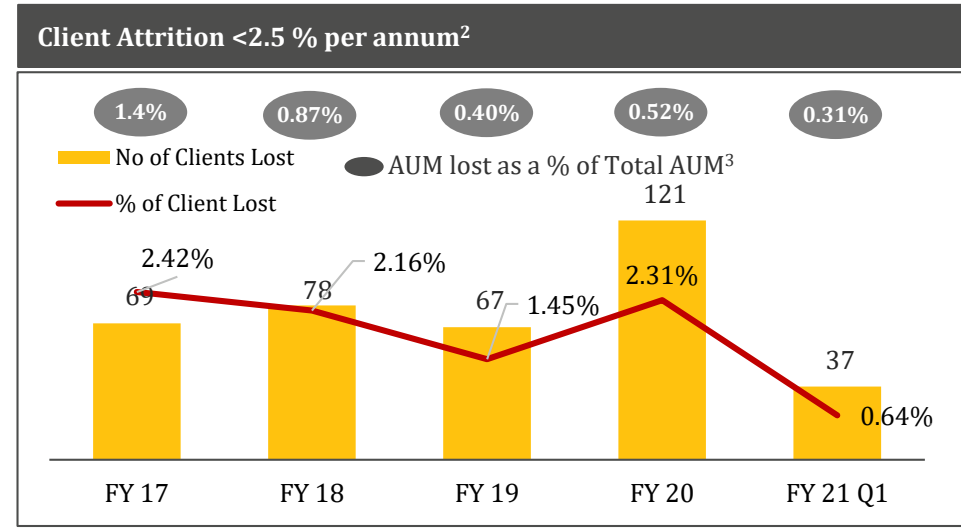
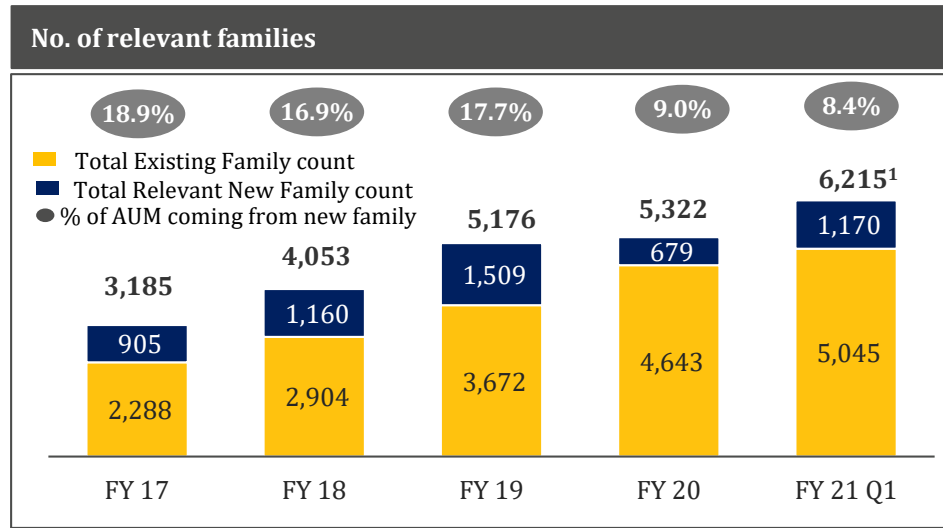


## Team Leader attrition<sup>2</sup>



1. All Numbers for FY21 denote status as on 30<sup>th</sup> June 2020 – Q1 FY 21  
 2. 7 new TLs, 37 RMs have been onboarded from on account of L&T Acquisition

# WEALTH UPDATE - LOW CLIENT ATTRITION AND HIGH PRODUCTIVITY



1. 900+ New Families added are onboarded on account of L&T Acquisition
2. Client Attrition Ratio: Basis % of the number of relevant families who have with drawn their complete AUM over the last 5 years
3. AUM of Clients Lost: Basis the percentage of the AUM lost to the total AUM of all relevant families within the respective year
4. Relevant Families : are all families with AUM (excluding custody Assets) greater than Rs 1 Cr on the last day of the respective period.

# AMC UPDATE - FOCUS ON CORE STRATEGIES

<b>Private Equity</b> ₹ 10,014 Cr	1 Seed Stage	2 Early Stage	3 Pre-IPO
<b>Public Equity</b> ₹ 7,997 Cr	4 Diversified (UCITS and Domestic Funds)	5 Concentrated	6 Thematic
<b>Credit</b> ₹ 3,040 Cr	7 Liquid Funds	8 Structured Credit	
<b>Other (Multi-asset)</b> ₹ 3,651 Cr	9 Residential Debt	10 Long Short	

Total AUM: ₹ 24,702 Cr

Existing

Recently launched

## AMC UPDATE - KEY FOCUS AREAS

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### Platform

- We recently added a multi-asset long-short fund to our product platform
- We continue to evaluate other product ideas such as a quant fund, a solutions/asset allocation fund and an international fund

### Process

- Focus on institutionalizing processes across functions
  - IIFL Wiki : Platform created for research
  - Salesforce : Used to track service requests and monitor TATs

### Distribution

- Enhanced distribution coverage, added 11 distribution partners over the quarter
- Overall empanelled partners are 1,902, of which 1,768 are for MFs and 134 are for PMS and AIFs



## AMC UPDATE - CONSISTENT TOP QUARTILE PERFORMANCE

A snapshot of some of our Funds below depict significant benchmark outperformance, strengthening our foothold in the Top Quartile League

Fund / Scheme Name	Asset Class	1 Month (%)	3 Month (%)	6 Month (%)	1 Year (%)	3 Year (%)	5 Year (%)
<b>IIFL Focused Equity Fund (Regular Growth)</b>	Equity	8.46	23.72	(10.50)	(2.73)	6.01	8.60
<b>Benchmark (BSE 200 TRI)</b>	Equity	7.88	20.87	(13.67)	(10.49)	2.89	5.82
<b>Category Average</b>		6.89	23.15	(12.71)	(7.91)	1.74	5.47

Fund / Strategy Name	Product Category	1 Month (%)	3 Month (%)	6 Month (%)	1 Year (%)	3 Year (%)	Since Inception (%)
<b>IIFL Multicap PMS</b>	PMS	9.32	21.23	(13.76)	(5.68)	7.35	14.11
<b>Benchmark (BSE 200 Total Return Index)</b>		7.88	20.87	(13.67)	(10.49)	2.89	5.80
<b>IIFL Multicap Advantage PMS</b>	PMS	7.52	14.55	(1.40)	6.35	-	8.61
<b>Benchmark (BSE 200 Total Return Index)</b>		7.88	20.87	(13.67)	(10.49)	-	0.13

## OTHER UPDATES

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# MULTIPLE AWARDS & ACCOLADES

**7**  
7 AWARDS

These awards are a reflection  
**OF YOUR TRUST.**

- BEST — PRIVATE BANK FOR SUCCESSION PLANNING
- BEST — PRIVATE BANK FOR WEALTH CREATION AND PRESERVATION
- YOUNG — OUTSTANDING PRIVATE BANKER NITIN SOOD
- GLOBAL PRIVATE BANKING INNOVATION AWARDS 2020
- MOST — INNOVATIVE WEALTH MANAGEMENT SERVICE
- STAR — CRITICALLY ACCLAIMED RISING STAR SIDHARTHA SHAW
- BEST — WEALTH MANAGEMENT FOR \$1.5 MILLION TO \$5 MILLION
- YOUNG — OUTSTANDING PRIVATE BANKER PARAS SANGHVI

GLOBAL Private Banking INNOVATION AWARDS 2020

Proud Recipient of

**109**

Awards till date

- EUROMONEY PRIVATE BANKING 2020**  
Best Private Banking Services Overall - India 2020
- PRIVATE BANKER INTERNATIONAL**  
Outstanding Wealth Mgmt Technology Initiative-2019
- THE 2018 DMA ASIA ECHO AWARDS**  
Presented by DMAI CREEFFECT Awards  
Best Artificial Intelligence, 2018
- BEST PRIVATE BANK AWARD 2018**  
GLOBAL FINANCE  
Best Private Bank, India 2018
- ASSET ASIAN AWARDS 2019**  
TRIPLE A  
Best Private Bank, India 2019
- aiwmi**  
Association of International Wealth Management of India  
Best Wealth Management App - 2019
- 2018 ASIAN PRIVATE BANKER 8th AWARDS FOR DISTINCTION**  
Excellence in Wealth Management, India 2018
- The Executive Trusts BFSI INNOVATION AWARDS & SUMMIT TRIBE**  
BFSI Innovation Tribe Awards 2018

# EXPERIENCED MANAGEMENT TEAM WITH DEEP DOMAIN EXPERTISE



**Karan Bhagat**  
20+ years of experience



## WEALTH



**Yatin Shah**



16+ years of experience



**Anirudha Taparia**



20+ years of experience



**Manoj Shenoy**



20+ years of experience



**Vinay Ahuja**



19+ years of experience



**Pramod Kumar**



15+ years of experience



**Shaji Kumar Devakar**



17+ years of experience



**Umang Papneja**  
CIO



18+ years of experience



**Girish Venkataraman**  
Trust Advisory



20+ years of experience



**Himanshu Jain**  
NBFC



17+ years of experience



**Sandeep Jethwani**  
Client Advisory



15+ years of experience

## AMC



**Anup Maheshwari**



24+ years of experience



**Prashasta Seth**  
Unlisted Equity



18+ years of experience



**Shashi Singh**  
Sales



20+ years of experience



**Vivek Mishra**  
Real Estate



19+ years of experience



**Mehul Jani**  
Listed Equity



15+ years of experience



**Mayur Patel**  
Listed Equity



14+ years of experience



**Pranob Gupta**  
Structured Debt



16+ years of experience



**Amit Garg**  
Global Products



15+ years of experience



**Himadri Chatterjee**  
Sales



15+ years of experience

## CORPORATE FUNCTIONS



**Anshuman Maheshwary**  
COO



20+ years of experience



**Mihir Nanavati**  
CFO



27+ years of experience



**Abhishek Chandra**  
Technology



20+ years of experience



**Anirban Banerjee**  
HR



15+ years of experience



**Pavan Manghnani**  
Strategy & IR



20+ years of experience



**Ashutosh Naik**  
Compliance



20+ years of experience



**Niraj Murarka**  
Credit



20+ years of experience



**Raghuvir Mukherji**  
Risk



24+ years of experience



**Ronak Sheth**  
Marketing & Client Experience



18+ years of experience









**Japhia Walker**  
Client Services



15+ years of experience













# MARQUEE INSTITUTIONAL SHAREHOLDING AND EXPERIENCED BOARD

Shareholding Split			
	21.35%		0.40%
	18.51%		0.34%
<b>RIMCO</b>	4.35%	Promoters	22.92%
	3.86%	Employees	5.83%
	1.25%	Others	21.18%

Lock in / Liquidity as on 30 <sup>th</sup> June 2020		
	No Lock In	Lock In (1 Yr)
Promoters	14.06%	8.86%*
General Atlantic	-	21.35%
Fairfax	18.51%	-
Other Institutions	13.29%	5.84%
Public	8.52%	3.74%
Employees	0.29%	5.54%
	<b>54.68%</b>	<b>45.32%</b>

**Non Promoter 1 year Lock in Release : Sep 2020**

## Board of Directors

Name & Designation	Previous Experience
 <b>Nilesh Vikamsey</b> Independent Director, Chairman	 Khimji Kunverji & Co Chartered Accountants (Registered) 30+ years of experience
 <b>Nirmal Jain</b> Non-Executive Director & Promoter	 Hindustan Unilever Limited 30+ years of experience
 <b>R. Venkataraman</b> Non-Executive Director & Promoter	  GE Capital 20+ years of experience
 <b>Karan Bhagat</b> Managing Director & Promoter	 Kotak Securities 20+ years of experience
 <b>Yatin Shah</b> Non-Executive Director & Promoter	 Kotak Securities 16+ years of experience

Name & Designation	Previous Experience
 <b>Sandeep Naik</b> Nominee Director	  Apax Partners 20+ years of experience
 <b>Shantanu Rastogi</b> Nominee Director	   McKinsey & Company 15+ years of experience
 <b>Geeta Mathur</b> Independent Director	  Jindal Steel & Power 25+ years of experience
 <b>S Narayanan</b> Independent Director	Former Fin. Secy, Former Economic Advisor to PM
 <b>Mr. Pankaj Vaish</b> Independent Director	 <b>accenture</b> 34+ years of experience
 <b>Mr. G Soundarajan</b> Non-Executive Director	 Hamblin Watsa Investment Counsel Ltd.   Nibhaye Vaade

1. Share holding Pattern is represented as on the record date – 30<sup>th</sup> June 2020  
2. \* Promoters lock in is 3 years against 1 year for others



# ANNEXURES

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## DETAILED FINANCIAL SNAPSHOT

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## CONSOLIDATED FINANCIALS - RE CLASSIFIED RESULT TABLE

Particulars	Quarter Ended			Year Ended	
	Jun 30, 2020	Mar 31, 2020	Jun 30, 2019	Mar 31, 2020	Mar 31, 2019
<b>Fee based Income (A)</b>	<b>146</b>	<b>197</b>	<b>150</b>	<b>686</b>	<b>801</b>
1. (iii) Fees and commission Income	137	218	124	678	806
1.(iv) Net gain / loss on fair value changes (Reclassified)	26	0	48	85	81
1. Other Income (Reclassified)	1	0	0	0	0
2. (iii) Net loss on fair value changes (Reclassified)	0	10	0	30	0
2. (ii) Fees and commission expense	-18	-25	-20	-90	-66
2. (ix) Others expenses (Reclassified)	-1	-7	-2	-16	-20
<b>Fund based Income (B)</b>	<b>93</b>	<b>-21</b>	<b>67</b>	<b>164</b>	<b>268</b>
1. (i) Interest Income	167	206	184	780	654
1. (ii) Dividend & Distribution income on investments	0	1	1	5	29
1. (iv) Net gain on fair value changes	19	0	-16	-19	-20
1. (v) Sale of products	0	7	20	41	0
1. (II) Other Income	10	1	8	24	28
<b>Total of Fund based Income</b>	<b>197</b>	<b>215</b>	<b>197</b>	<b>831</b>	<b>692</b>
2. (i) Finance Costs	-106	-144	-114	-502	-431
2. (iii) Net loss on fair value changes	0	-86	0	-129	0
2. (v) Impairment on financial instruments	3	1	3	5	8
2. (vii) Purchases of Stock-in-trade	-7	-7	0	-22	-21
2. (viii) Changes in Inventories of finished goods, stock-in-trade and wip	7	0	-20	-20	20
<b>Total of Fund based Expenses</b>	<b>-103</b>	<b>-236</b>	<b>-131</b>	<b>-667</b>	<b>-424</b>
<b>3. Net Revenue (A+B)</b>	<b>239</b>	<b>176</b>	<b>217</b>	<b>851</b>	<b>1069</b>
<b>4. Expenses (Indirect Cost)</b>	<b>130</b>	<b>162</b>	<b>126</b>	<b>564</b>	<b>531</b>
(vii) Employee Benefits Expenses	96	119	78	373	331
(viii) Depreciation, amortization and impairment	10	10	10	41	22
(ix) Others expenses	24	32	38	149	178
<b>5. Profit before tax (3-4)</b>	<b>109</b>	<b>14</b>	<b>90</b>	<b>286</b>	<b>538</b>
<b>5. Profit After Tax</b>	<b>83</b>	<b>0</b>	<b>61</b>	<b>206</b>	<b>384</b>
<b>(XIII) Earnings per equity share</b>					
Basic (In Rs.) *	9.44	-0.34	7.23	23.82	34.91
Diluted (In Rs.) *	9.34	-0.34	7.03	23.41	33.95

# CONSOLIDATED BALANCE SHEET

Rs in Crs.

ASSETS		As at 30-Jun-20	As at 31-Mar-20
<b>1</b>	<b>Financial Assets</b>		
(a)	Cash and cash equivalents	868	936
(b)	Bank Balance other than (a) above	195	242
(c)	Derivative financial instruments	74	132
(d)	Receivables		
	(I) Trade Receivables	223	242
	(II) Other Receivables	138	118
(e)	Loans	2,919	3,632
(f)	Investments	6,435	6,512
(g)	Other Financial assets	256	438
<b>2</b>	<b>Non-Financial Assets</b>		
(a)	Inventories	7	0
(b)	Current tax assets (Net)	81	73
(c)	Deferred tax Assets (Net)	3	5
(d)	Investment Property	0	0
(e)	Property, Plant and Equipment	296	299
(f)	Capital work-in-progress	4	1
(g)	Intangible assets under development	0	0
(h)	Goodwill	373	188
(i)	Other Intangible assets	144	88
	Right to Use assets	30	34
	Other non-financial assets	121	80
	<b>Total Assets</b>	<b>12,169</b>	<b>13,021</b>

LIABILITIES AND EQUITY		As at 30-Jun-20	As at 31-Mar-20
<b>1</b>	<b>Financial Liabilities</b>		
(a)	Derivative financial instruments	280	249
(b)	Payables	285	304
(c)	Debt Securities	4,462	5,426
(d)	Borrowings (Other than Debt Securities)	2,900	2,850
		0	
		0	
(e)	Subordinated Liabilities	561	562
(f)	Other financial liabilities	455	512
	Finance Lease Obligation	32	35
<b>2</b>	<b>Non-Financial Liabilities</b>		
(a)	Current tax liabilities (Net)	26	17
(b)	Provisions	11	9
(c)	Deferred tax liabilities (Net)	53	32
(d)	Other non-financial liabilities	14	32
<b>3</b>	<b>Equity</b>	0	0
(a)	Equity Share capital	17	17
(b)	Other Equity	3,072	2,974
(c)	Non-controlling interest	0	0
	<b>Total Liabilities and Equity</b>	<b>12,169</b>	<b>13,021</b>



## BREAKDOWN OF INVESTMENTS

	Jun 30, 2020	Mar 31, 2020
<b>Investments</b>	<b>6,509</b>	<b>6,654</b>
Derivative financial instruments [1c]	74	132
Investments [1f]	6,435	6,512
<b>Investments split as</b>	<b>6,509</b>	<b>6,654</b>
Structured Investments*	4,325	4,417
Liquid Investments	1,274	1241
In-transit Investments ( <i>Available for Sale</i> )	147	205
Investment in AIF		
<i>Sponsor</i>	285	258
<i>Non-Sponsor</i>	479	523



	Jun 30, 2020	Mar 31, 2020
<b>Borrowings</b>	<b>8,203</b>	<b>9,095</b>
Derivative Financial Instruments [1a]	280	249
Debt Securities [1c]	4,462	5,426
Borrowings (Other than Debt Securities) [1d]	2,900	2,850
Subordinated debt [1e]	561	570
<b>Borrowings split as</b>	<b>8,203</b>	<b>9,095</b>
Structured Borrowings	4,325	4,417
Net Borrowings for business	3,878	4,678

\* Structured Investments consist of products structured for clients on

1. Government of India Securities (Gsec) – 77%
2. Perpetual Bonds issued by Nationalized & Private Banks – 8%
3. Debentures – 15% (*Includes Derivative financial instruments – 74 Crs*)

Total Capital used for Structured Investments: 96 Crs.



## BREAK DOWN OF INVESTMENTS

Investment Type	Category	Description	Value as on 30 <sup>th</sup> Jun 20 (in Cr)	Value as on 31 <sup>st</sup> Mar 20 (in Cr)	% of Total Investment
Structured Investments	Govt Securities	Govt Securities	3,326	3,216	51%
	Perpetuals	Various	329	839	5%
	Debentures	Various	670	362	10%
Structured Investments			4,325	4,417	66%
Liquid Investments	Mutual Funds	Liquid Fund	1,176	1065	18%
		Other Debt Funds	98	175	2%
Liquid Investments			1,274	1241	20%
AIF	AIF	Sponsor	285	258	4%
AIF	AIF	Non Sponsor	479	523	8%
AIF			764	781	12%
In Transit Investments	High Quality Bonds		147	205	2%
<b>Total Investment</b>			<b>6,509</b>	<b>6,644</b>	<b>100%</b>

## BREAKDOWN OF NET FUND BASED INCOMES (QoQ)

Rs in Crs.

Q1 FY 21	Income	Expense	Net	Average Capital Deployed	Remarks
<b>Total Fund Based</b>	<b>197</b>	<b>103</b>	<b>93</b>	<b>2,635</b>	Average Capital Allocation Excluding Goodwill & Intangibles
NIM on Loans	84	-32	53	1,488	NIM earned on Average Loans outstanding for the period
Structured Investments	37	-37	-	96	These are Incomes and expenses including MTM on our structured instruments which have no impact on our financials and are completely pass through
Investment & Treasury Incomes	75	-35	40	1,051	Includes Average investments of 764 Crs in AIF's as sponsor / Distributer

Q4 FY 20	Income	Expense	Net	Average Capital Deployed	Remarks
<b>Total Fund Based</b>	<b>215</b>	<b>-236</b>	<b>-21</b>	<b>2,751</b>	Average Capital Allocation Excluding Goodwill & Intangibles
NIM on Loans	112	-53	59	1,887	NIM earned on Average Loans outstanding for the period
Structured Investments	78	-78	-	77	These are Incomes and expenses including MTM on our structured instruments which have no impact on our financials and are completely pass through
Investment & Treasury Incomes	24	-105	-79	786	Includes Average investments of 774 Crs in AIF's as sponsor / Distributer

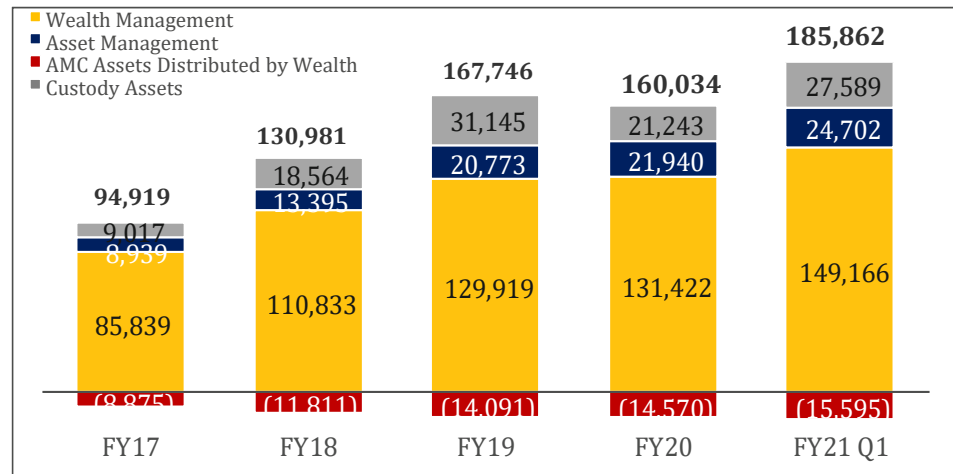
## SEGMENT DEEP DIVE

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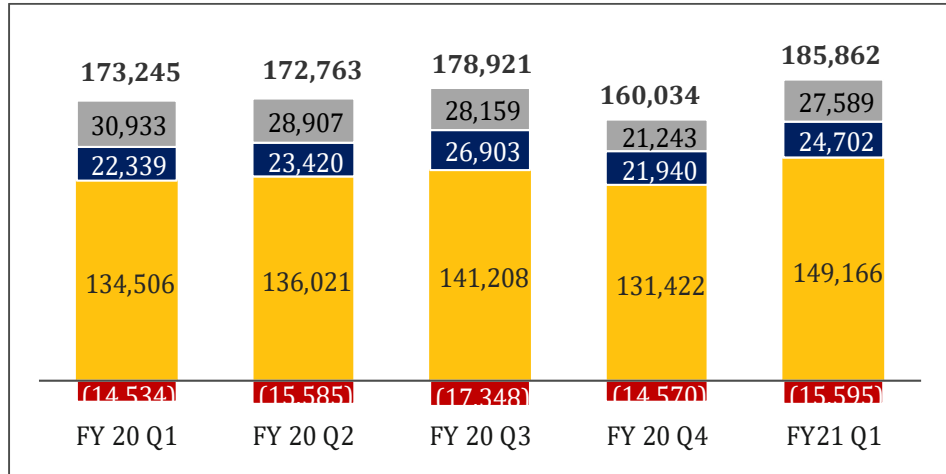


# BUSINESS SEGMENT VIEW

## Assets Under Management - YoY (Rs. Cr.)

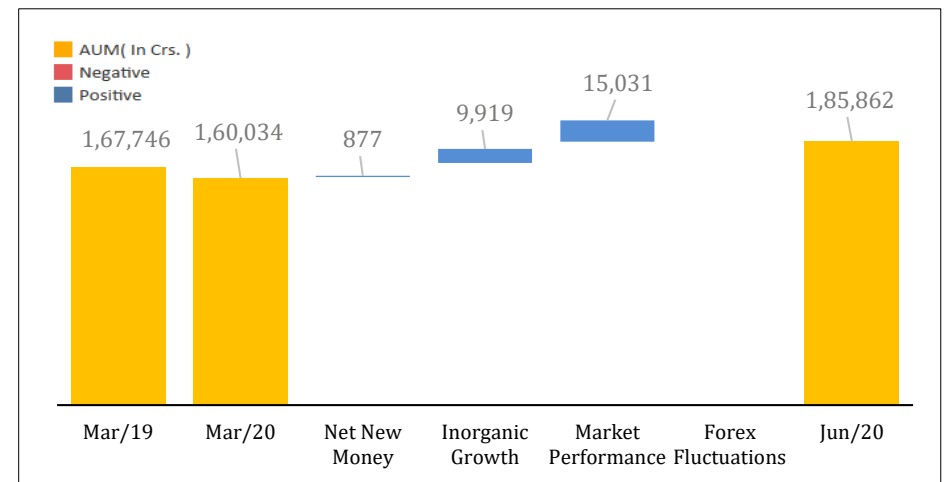


## Assets Under Management - QoQ (Rs. Cr.)<sup>1</sup>



Profitability	FY17	FY18	FY19	FY20	FY21 Q1
<b>Wealth Management</b>					
Revenues	651	952	896	774	162
Costs	338	474	427	443	103
Operating Profit before Taxes	313	478	469	331	59
<b>Asset Management</b>					
Revenues	57	77	127	146	37
Costs	63	92	103	121	27
Operating Profit before Taxes	-6	-15	25	25	10

## Net Flows including Custody



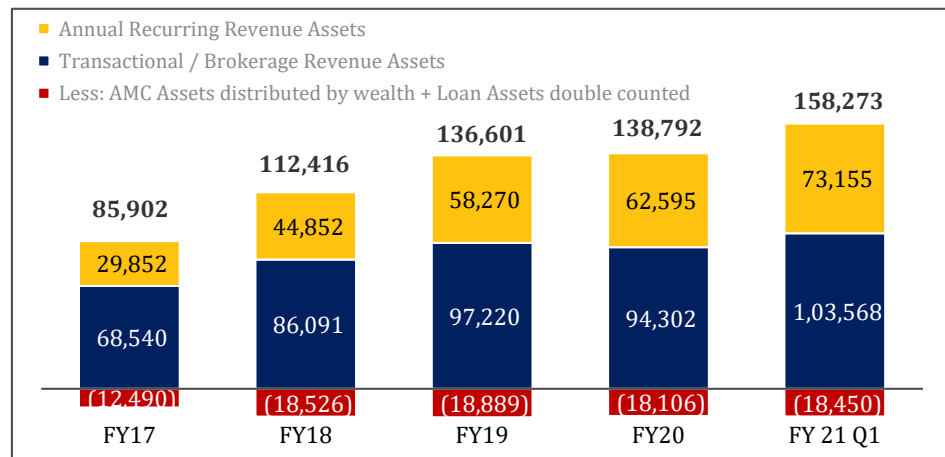
1. Closing AUM Related to L&T as on 30<sup>th</sup> June 2020

2. AUM split for Q1 FY 21: Debt 65%, Equity 35%,

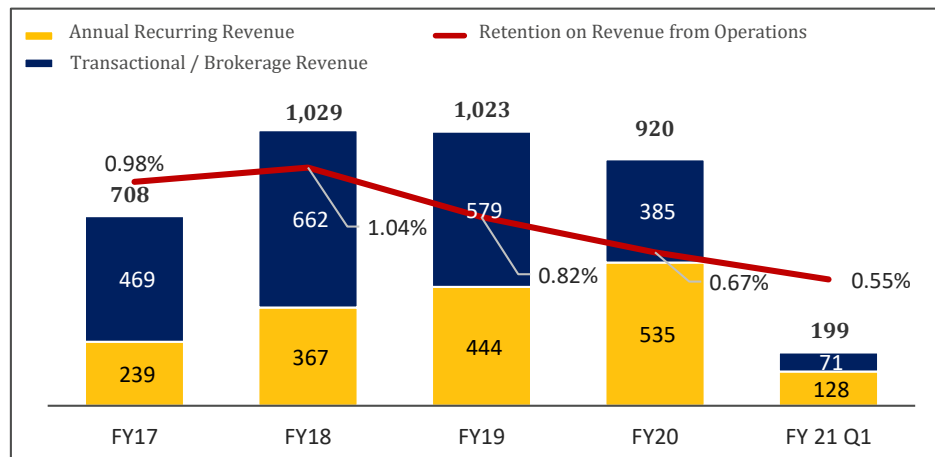
3. Costs include allocated costs that have been split between the Wealth & Asset Management verticals basis of a formula that gives 50% weightage to Net Revenues & 50% weightage to Employee Costs

# CONSOLIDATED METRICS YoY

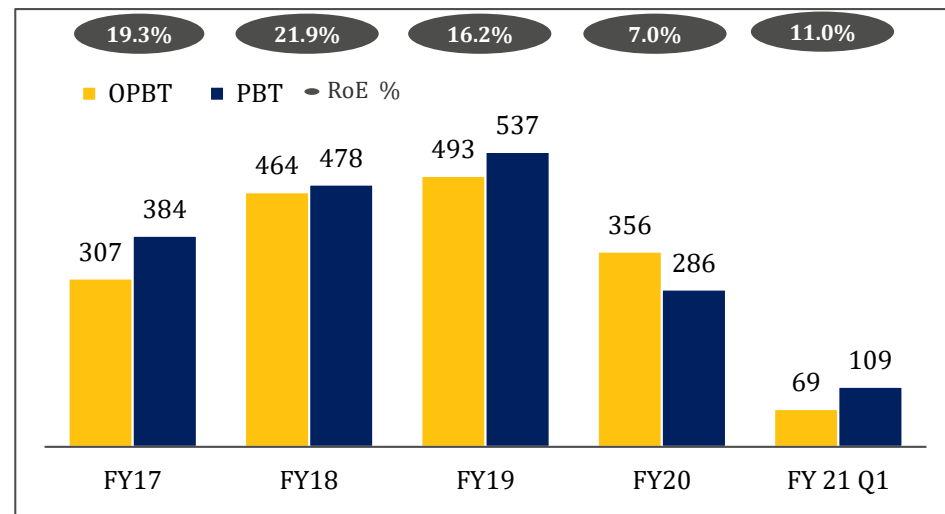
## Assets Under Management (Rs. Cr.) Excluding Custody



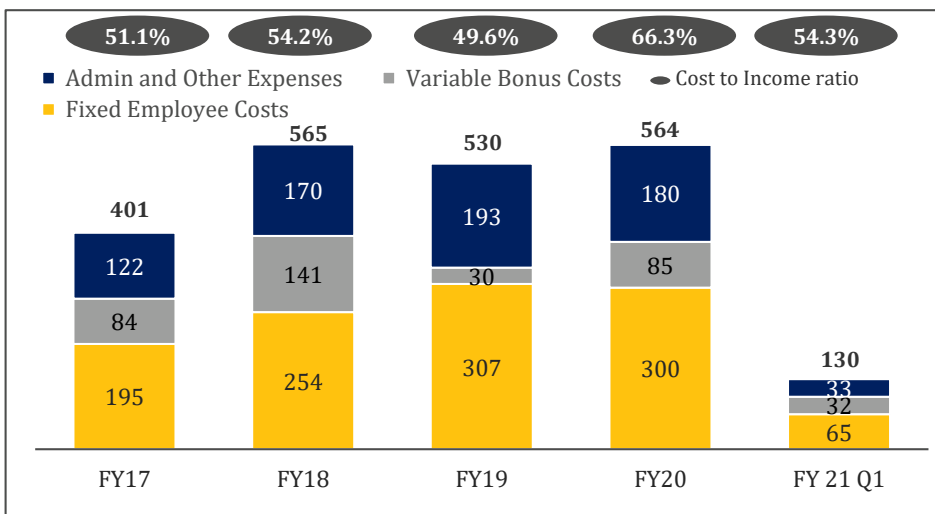
## Revenues from Operations (Rs. Cr.) & Yields (%)



## Profitability (Rs. Cr.)



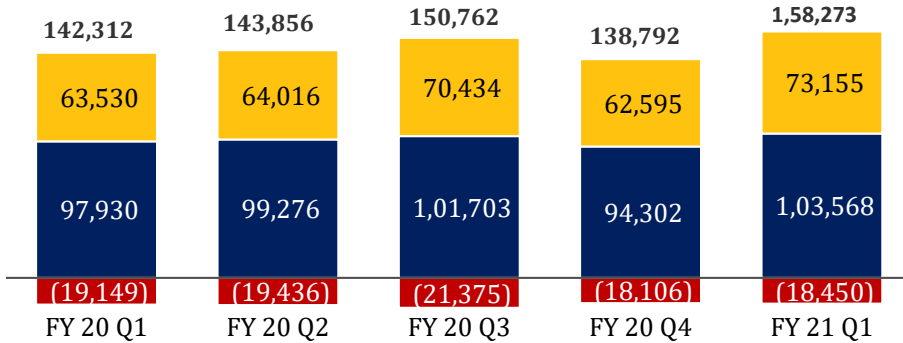
## Cost Mix (Rs. Cr.)



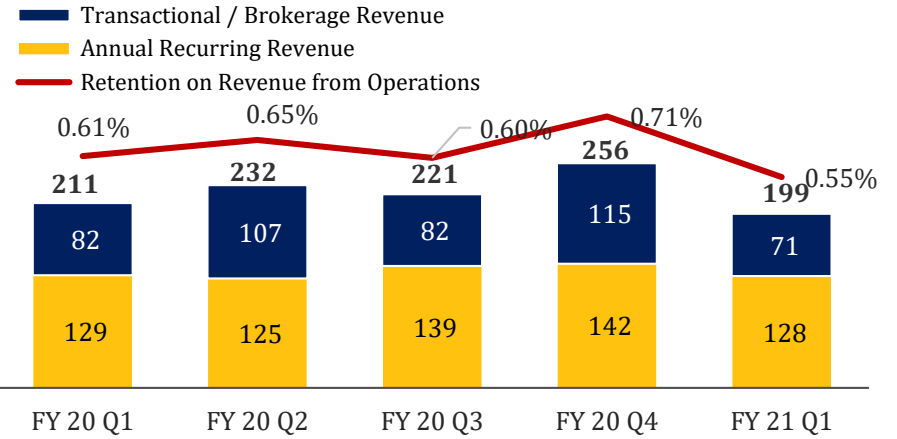
# CONSOLIDATED METRICS QoQ

## Assets Under Management (Rs. Cr.) Excluding Custody

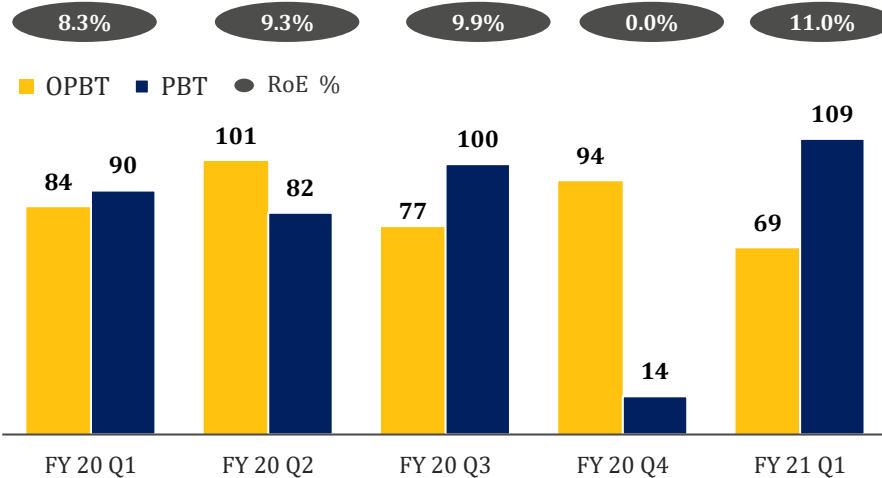
- Annual Recurring Revenue Assets
- Transactional / Brokerage Revenue Assets
- Less: AMC Assets distributed by wealth + Loan Assets double counted



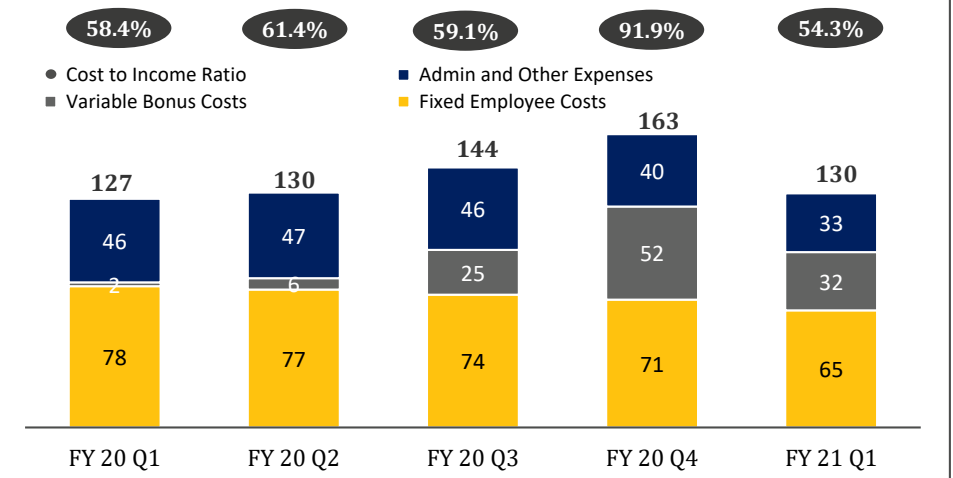
## Revenues from Operations (Rs. Cr.) & Yields (%)



## Profitability (Rs. Cr.)

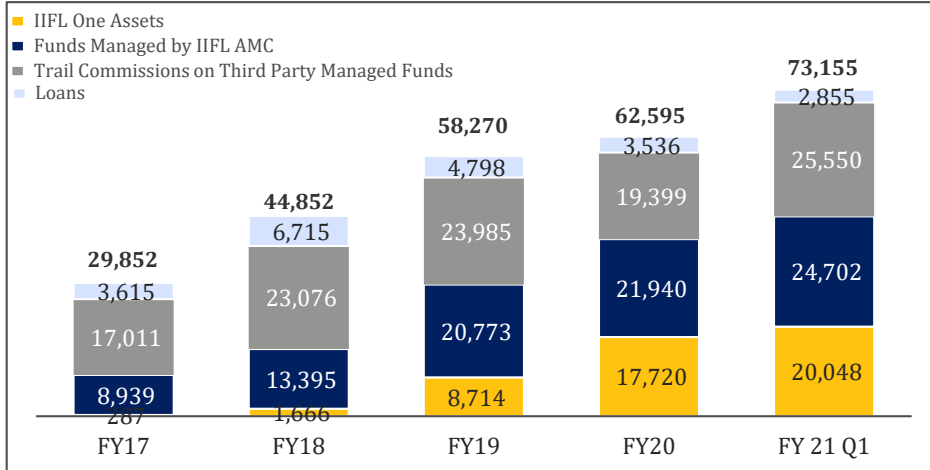


## Cost Mix (Rs. Cr.)

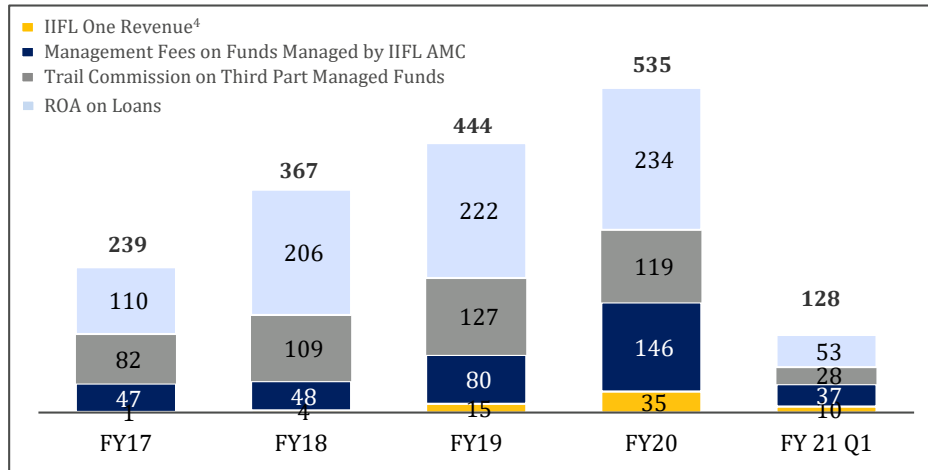


# CONSOLIDATED METRICS YoY

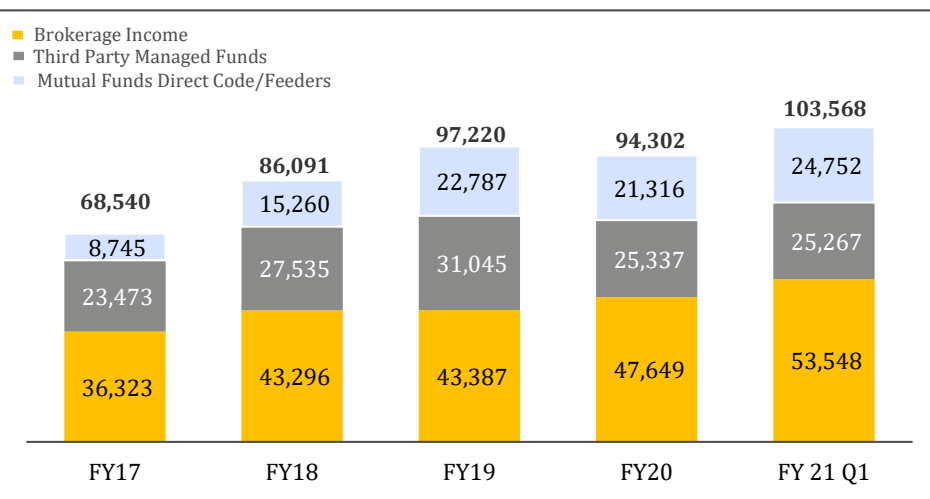
## Annual Recurring Revenue Assets (Rs. Cr.)<sup>1,2</sup>



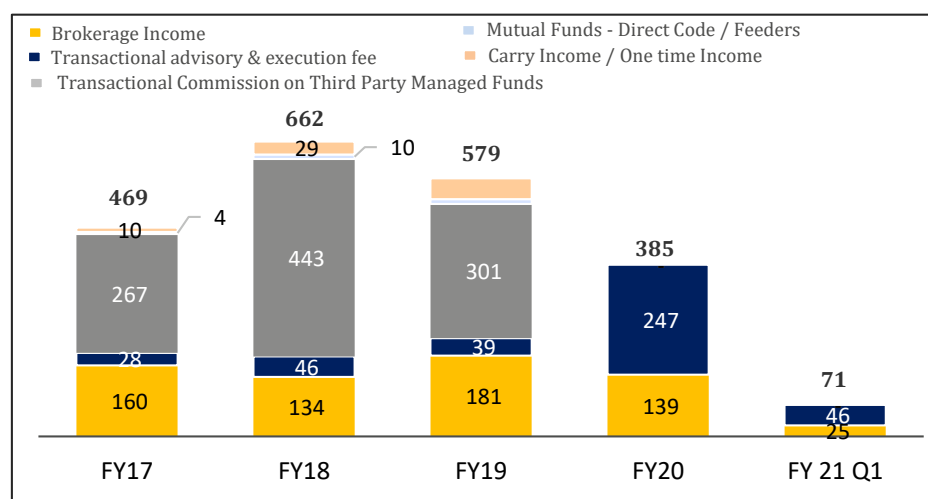
## Annual Recurring Revenues (Rs. Cr.)



## Transactional / Brokerage Revenue Assets (Rs. Cr.)<sup>3,4,5</sup>



## Transactional / Brokerage Revenues (Rs. Cr.)

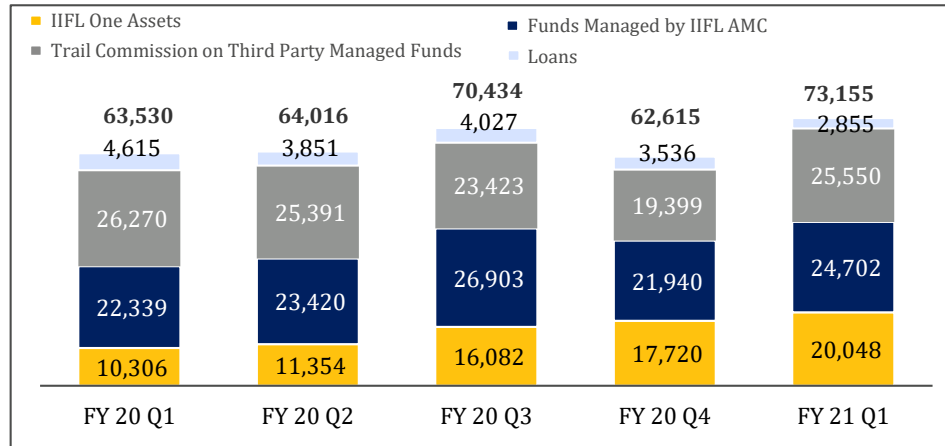


1. For ARR Assets and AUM, Trail Commission on Mutual Funds and Managed Accounts is clubbed together as Trail Commission on Third Party Managed Funds
2. Fees on PMS - Discretionary / Non Discretionary & Advisory has been renamed as IIFL One Assets and IIFL One Revenues
3. Direct Stocks and Structured Notes and Bonds are clubbed together as Brokerage Income
4. Other Syndications Fee has been reclassified as Transaction advisory & execution fee
5. Mutual Funds in Regular Code and Third Party Managed Accounts are clubbed together as Third Party Managed Funds

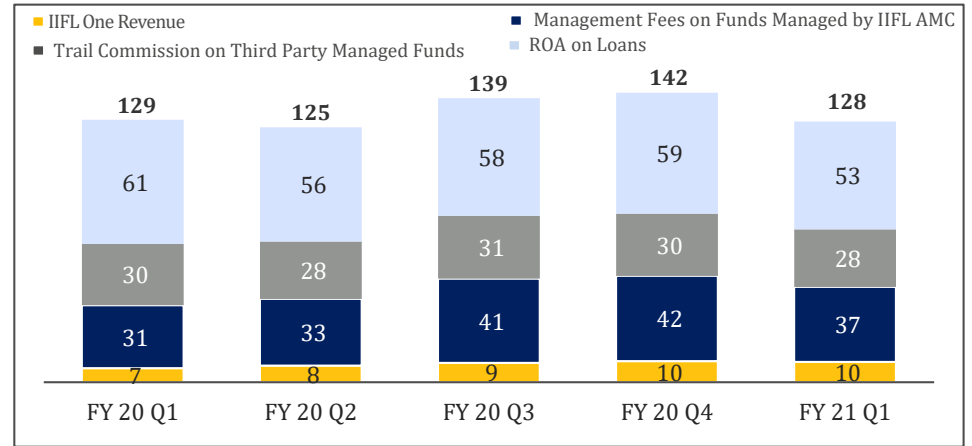


# CONSOLIDATED METRICS QoQ

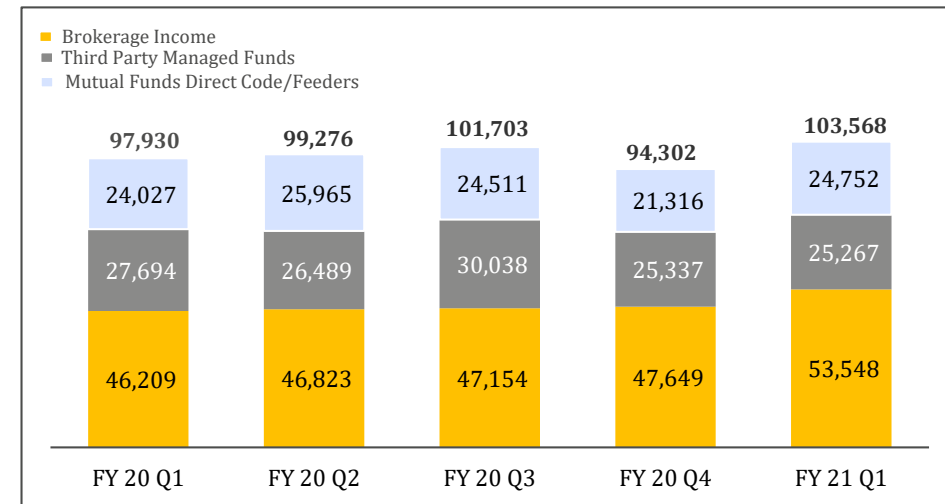
## Annual Recurring Revenue Assets (Rs. Cr.)<sup>1,2</sup>



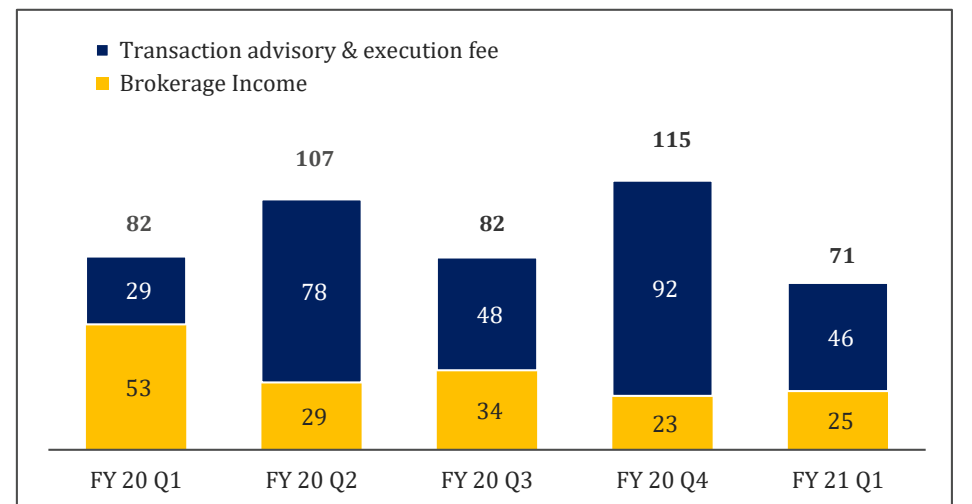
## Annual Recurring Revenues (Rs. Cr.)



## Transactional / Brokerage Revenue Assets (Rs. Cr.)<sup>3,4,5</sup>



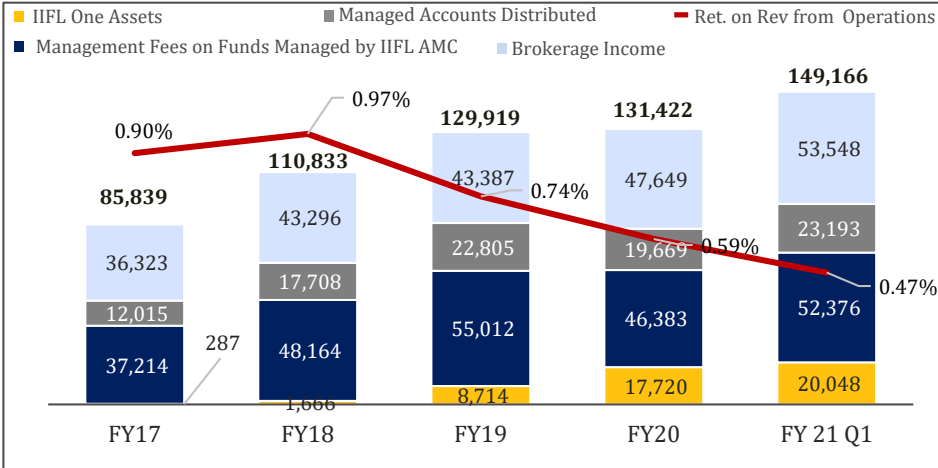
## Transactional / Brokerage Revenues (Rs. Cr.)



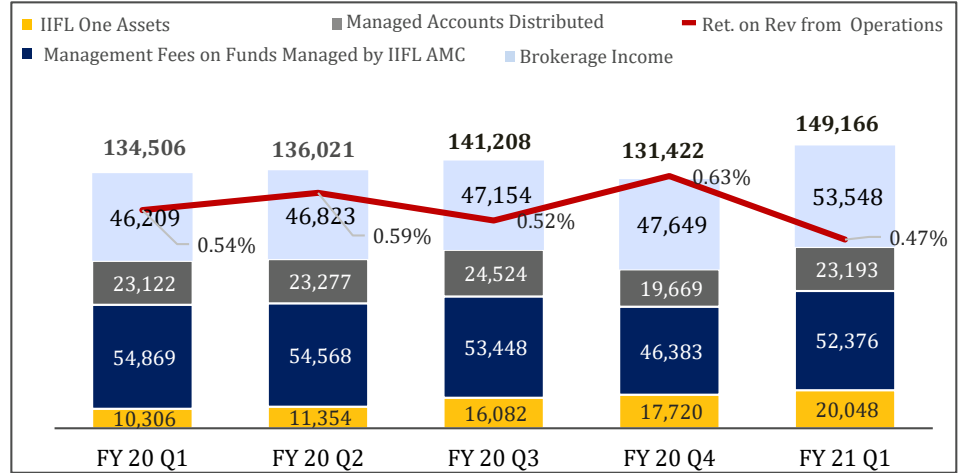
1. For ARR Assets and AUM, Trail Commission on Mutual Funds and Managed Accounts is clubbed together as Trail Commission on Third Party Managed Funds  
 2. Fees on PMS - Discretionary / Non Discretionary & Advisory has been renamed as IIFL One Assets and IIFL One Revenues  
 3. Direct Stocks and Structured Notes and Bonds are clubbed together as Brokerage Income  
 4. Other Syndications Fee has been reclassified as Transaction advisory & execution fee  
 5. Mutual Funds in Regular Code and Third Party Managed Accounts are clubbed together as Third Party Managed Funds

# WEALTH MANAGEMENT

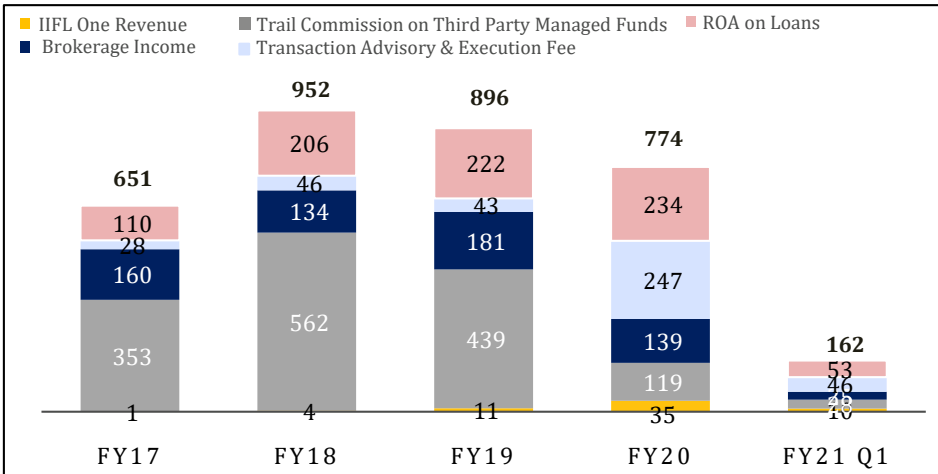
## AUM by Products YoY (Rs. Cr.)



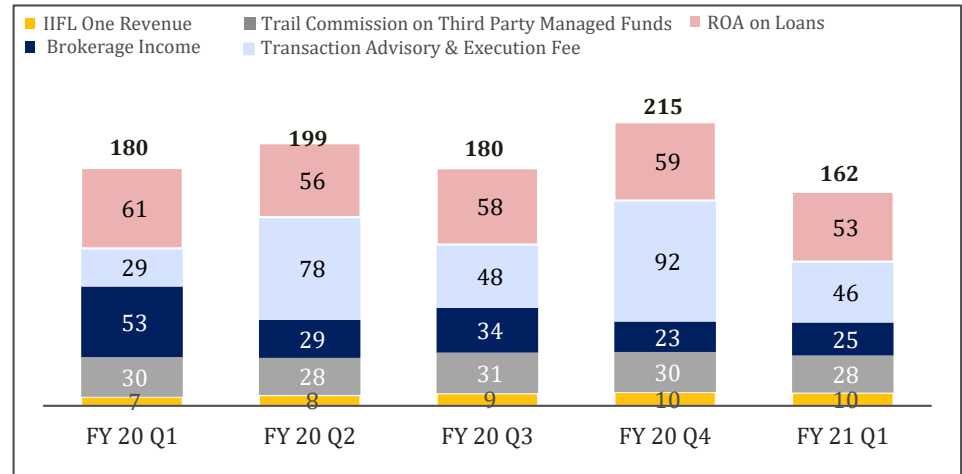
## AUM by Products QoQ (Rs. Cr.)



## Net Revenues by Products YoY (Rs. Cr.)

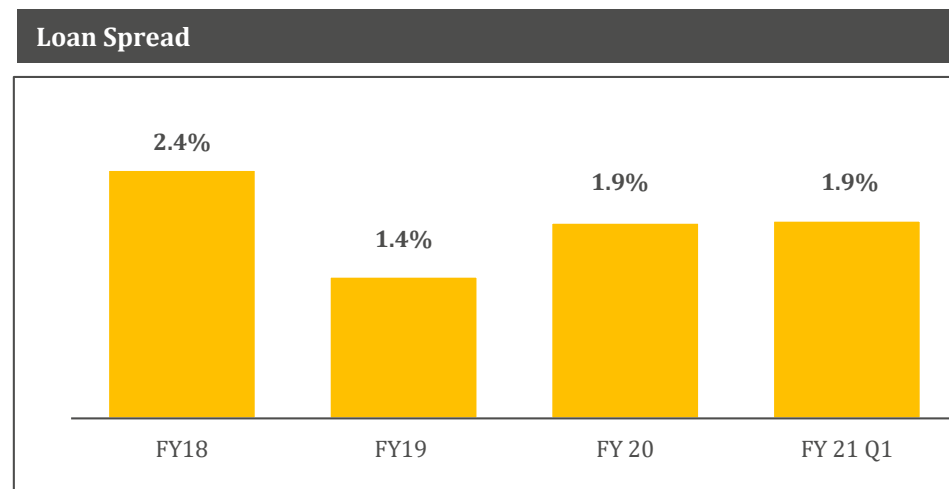
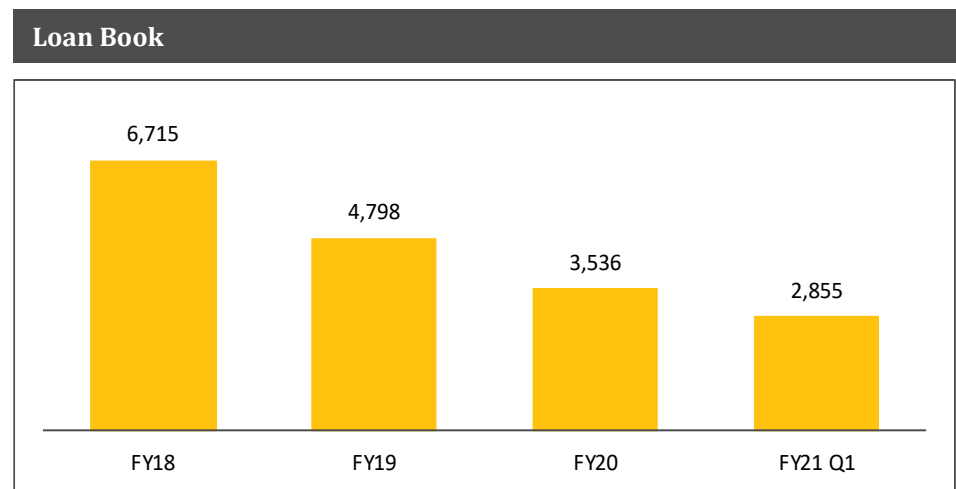


## Net Revenues by Products QoQ (Rs. Cr.)



1. Fees on PMS - Discretionary / Non Discretionary & Advisory renamed as IIFL One Assets and IIFL One Revenue
2. Direct Stocks and Structured Notes and Bonds are clubbed together as Brokerage Income
3. Other Brokerage / Syndication renamed to Transaction Advisory & Execution Fee
4. Commissions on Mutual Funds Distributed - Trail & Commissions on Managed Accounts Distributed - Trail clubbed together as Trail Commission on Third Party Managed Funds

# BREAK DOWN OF LOAN BOOK

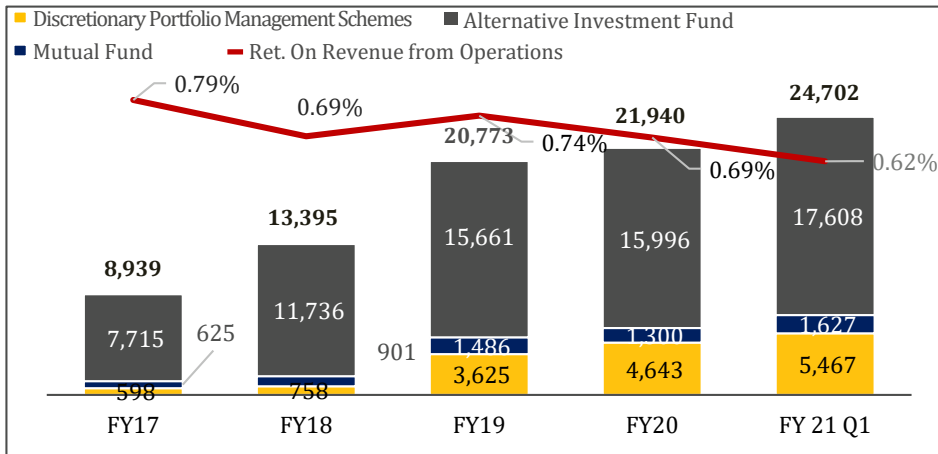


- Maintained 100% interest and margin servicing track record despite RBI moratorium
- Maintaining a low-risk book with focus on quality assets only – good credits, strong relationship and fee revenues, short term exposures
- 30-Jun loan book at INR 2,855 cr was 19% lower than 31-Mar at 3,535 cr
- Cost reduced significantly (9.32% vs. 10.36% in Q4 FY20) mainly since we no longer carry excess liquidity post 31-March
- Yields declined marginally by ~50 bps due to repayments in higher-yielding assets
- **The book continues to have zero credit losses since inception**

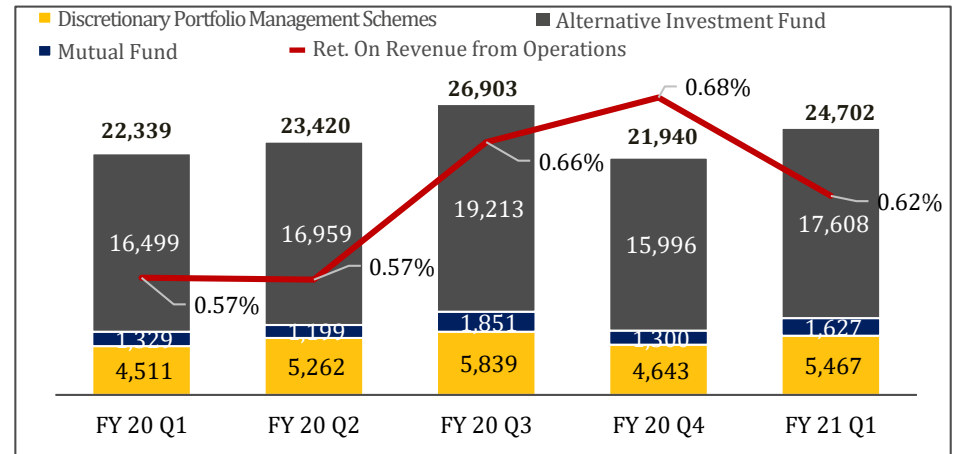
	Q1 FY 21	Q4 FY 20	Q1 FY 20
Loans Disbursed	1,182	2,503	1,786
Loans Repaid	1,862	2,995	2,425
Net Movement	(680)	(492)	(639)

# ASSET MANAGEMENT

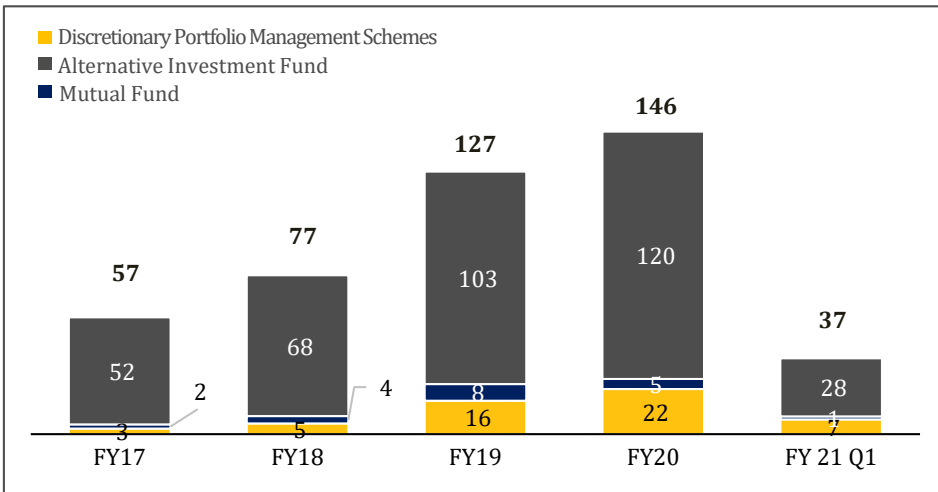
### AUM by Products YoY (Rs. Cr.) and Yield %



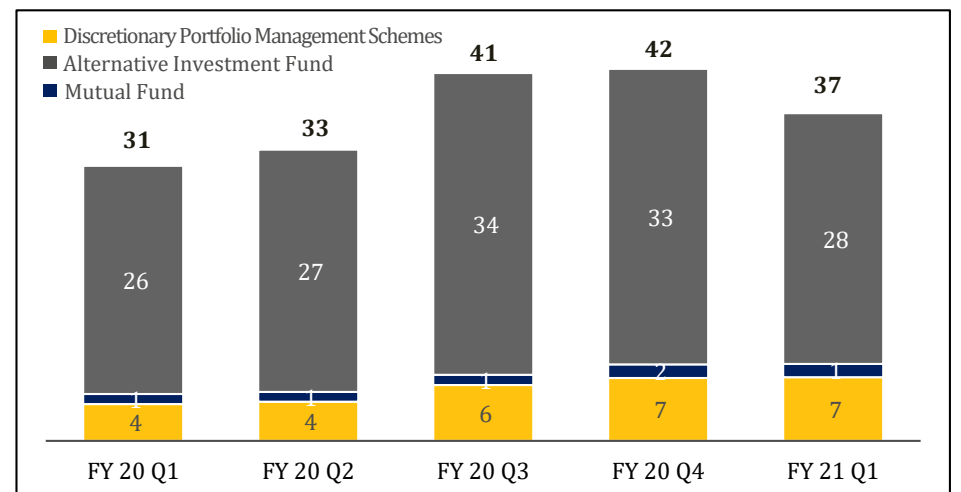
### AUM by Products QoQ (Rs. Cr.) and Yield %



### Net Revenues by Products YoY (Rs. Cr.)



### Net Revenues by Products QoQ (Rs. Cr.)



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