

IIFL HOME LOAN



Nurturing
Hopes.
Homes.
Happiness.

Across the Pages

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Disclaimer: This document contains statements about expected future events and financials of IIFL Home Finance Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

An emotion called home.
It evokes a sense of comfort and belonging.
It is an extension of one who lives in.
A home is a place where memories are created.
It the most beautiful four walls made of brick and beams.

Owning a home is a dream that millions of Indians aspire for each day. It is one of the biggest milestones that people spend their lives wishing for. And we at IIFL Home Finance Limited, help turn these dreams into reality. We make the aspirations of our customers tangible through our affordable home loans.

We help the economically weaker sections and the underserved segments of the society through accessible loan offerings, ensuring a secure future. Our aim is to nurture and promote sustainable living for our customers. Our endeavour is to promise a better life with access to better health and hygiene. As one of the leading fintech housing finance companies in the country, we are well placed with end-to-end digitised processes, strong competencies and great customer service.

We believe in our integrated vision of creating efficiency through focused efforts in our four growth pillars i.e. employees, organisation, society and environment. With responsible, ethical and transparent business strategies, we remain committed to building sustainable value for all our stakeholders.



Our Journey in Numbers

₹ **184,947**
million



Assets Under Management
as on March 31, 2020

₹ **17,752**
million



Total Income for the year ended
March 31, 2020

₹ **2,449**
million



Profit After Tax for the year ended
March 31, 2020

₹ **128,140**
million



Loan Book

1.6%



Gross Stage 3#

127



Total number of branches as on
March 31, 2020

₹ **9.4**
billion

Disbursements under Swaraj Home Loans
as on March 31, 2020



₹ **9+**
billion

Total Subsidy provided under
PMAY(U) till March 31, 2020



84%

Loans disbursed (on units) through
'Jhatpat' loan app



124,000+

Happy Customers



2,131

Workforce



38,300+

Total beneficiaries facilitated with PMAY
Subsidy through IIFL Home Loan till
March 31, 2020



Fulfilling Hopes and Aspirations. IIFL Home Finance Limited at a Glance

Incorporated in 2006 and registered in 2009 with National Housing Bank (NHB), IIFL Home Finance Limited is a wholly-owned subsidiary of IIFL Finance Limited. The Company is one of India's leading housing finance companies and is a preferred choice for affordable home loan requirements.

The Company's comprehensive product suite includes small ticket sized home loans, secured MSME Loans and project loans. Through accessible home loans, pan-India distribution network, efficient technology-led operations and transparent processes, IIFL Home Finance is well-placed to serve the needs of marginalised sections of the society.

With robust asset quality, ethical business approach and responsible social and environmental practices, the Company continues to deliver the best-in-class customer experience.



Our Comprehensive Product Portfolio

Our comprehensive suite of products cater to different segments in various geographical locations of India. Our tailor-made products and services transform the lives of millions of customers by nurturing their dreams of owning an affordable home.

Home Loans

We offer customised loan for buying a new home, renovation in existing home, construction on pre owned land and purchase of land for building a house thereon. Through our home loans, we primarily cater to the housing needs of salaried, self-employed and professionals. Our product, Swaraj Home Loans, is further designed to serve customers from underserved category, with informal income documents.



Secured MSME Loans

The MSME loans fulfill the needs of small and medium enterprises for meeting working capital requirement, business use and purchase of commercial property. The loans are backed by mortgage of residential or commercial properties. Our product, 'Samman' loan provides small ticket loan for lower income segments like small traders and garment shops owners, among others.

Affordable Housing Project Loans

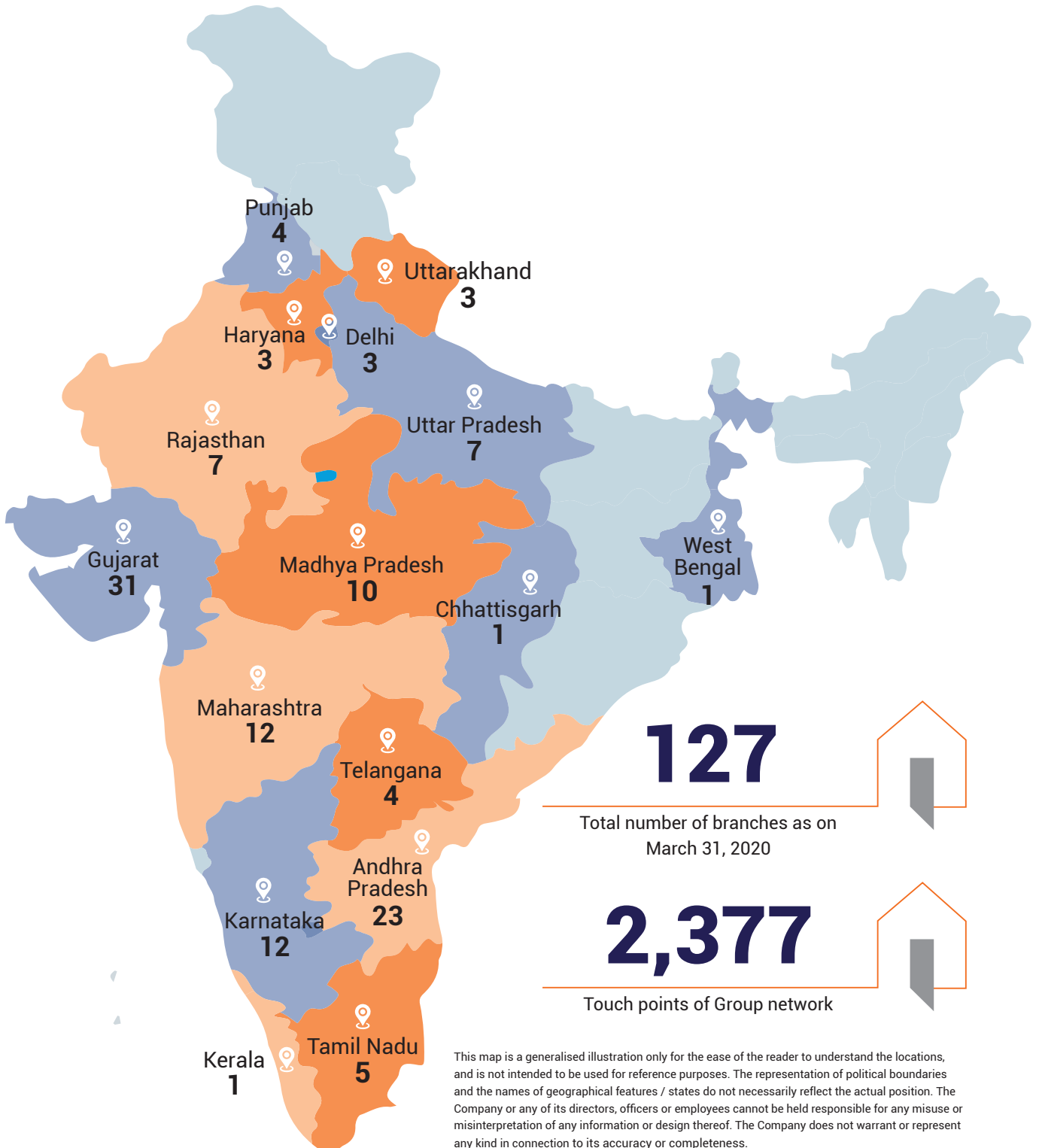
We offer project loans to meet construction expenses of affordable housing projects of reputed developers. Through this loan category, we play a significant role in promoting Green Building initiative and Environmental, Social and Governance (ESG) aspect in the funded projects. We also have several tie-ups with developers for availing credit to property buyers under the retail home loan category.



Spreading Happiness

Diversified Geographical Presence

We have a strong outreach across length and breadth of the country through our extensive distribution network of over 127 branches across 17 states. This allows us to reach out to the deepest corners of the country and fulfill the credit needs of lower and mid-income segment, with ease and convenience. Besides, we continuously leverage IIFL Group's deep network of 2,377 touch points to connect with more potential customers across the social spectrum.



Nurturing Hopes, Homes and Happiness

Customer Success Stories

Harika Kurnala

Hyderabad

Loan Amount: ₹ 984,541

Subsidy Amount: ₹ 267,280



Harika wanted to shift to a better house in order to secure a better quality of life for her children. Though, Harika and her husband could barely make ends meet and owning a home with decent surroundings was like a distant dream for them. The possibilities emerged when they came to know about Pradhan Mantri Awas Yojana (Urban)-PMAY (U) subsidy and approached an IIFL Home Loan executive. Since then, everything was smooth and their loan was sanctioned and disbursed in a quick time. IIFL Home Loans not just made her dream come true, it also helped her availing the subsidy benefits under PMAY, ensuring a brighter future for her children.

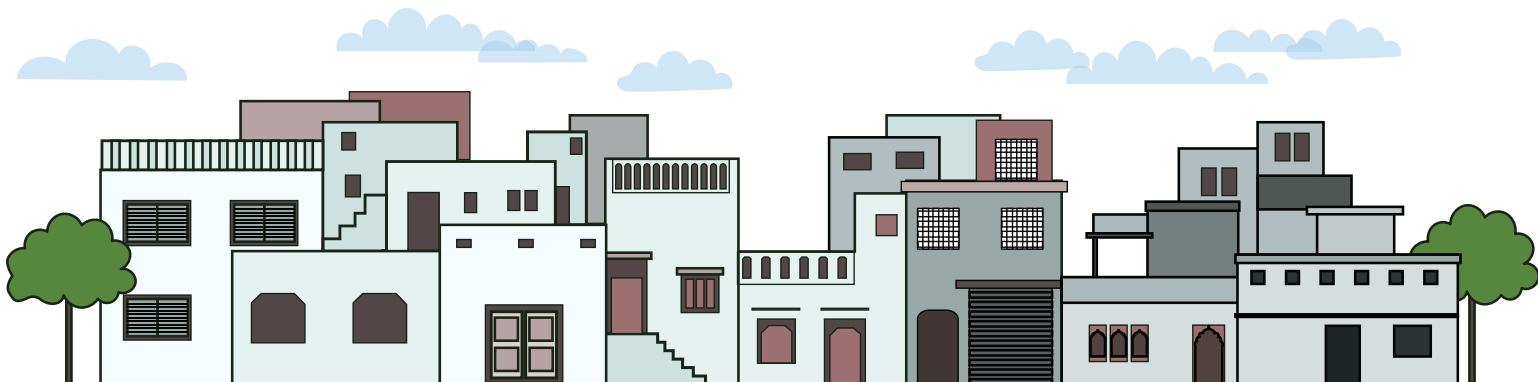
Himadri Singh

Mohali

Loan Amount: ₹ 799,357

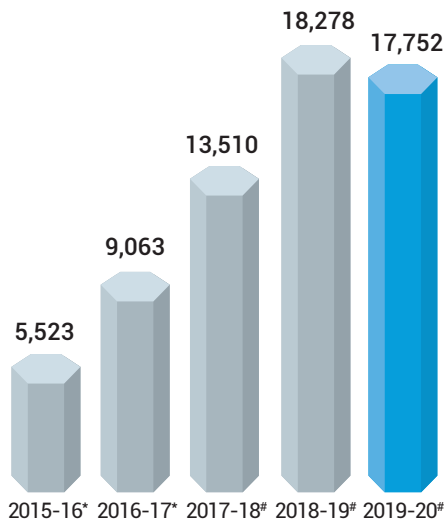
Subsidy Amount: ₹ 267,279

Himadri Singh used to live in Chandigarh with her husband and son in a rented accommodation and under unhygienic conditions. The family faced sewage and water problems. Electricity was also an issue due to transformer overloading in the nearby industrial area. It took the family a lot of search, deliberation and discussion to decide and gather courage to fight the unfavourable conditions prevailing in their rented home. They finally decided to explore the option of buying their own home. Soon, they visited IIFL Home Loans branch near their home, where they got to know about the Credit Linked Subsidy Scheme under the PMAY. The loan amount made them realise their dream of owning a home and securing a better future.



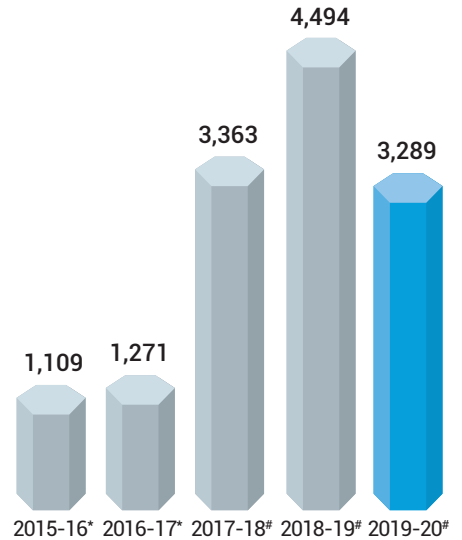
Key Financial Snapshot

Revenue
(₹ million)



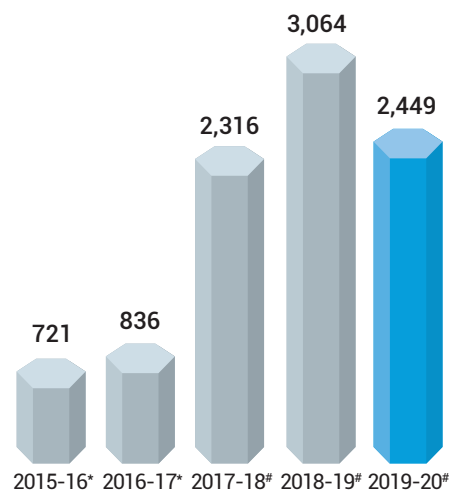
CAGR: **34%**

Profit before Tax
(₹ million)



CAGR: **31%**

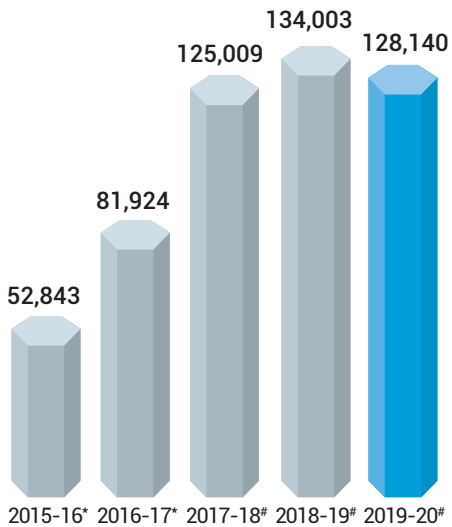
Profit after Tax
(₹ million)



CAGR: **36%**

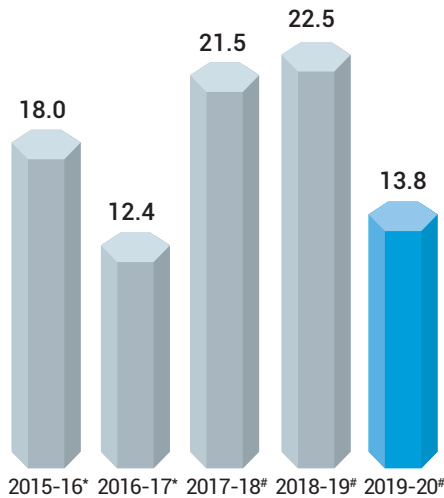


Loan Book (₹ million)

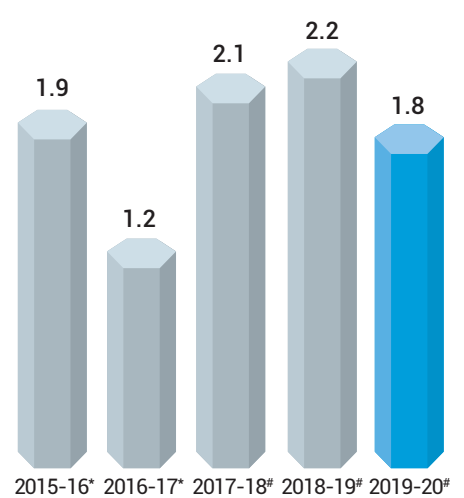


CAGR: **25%**

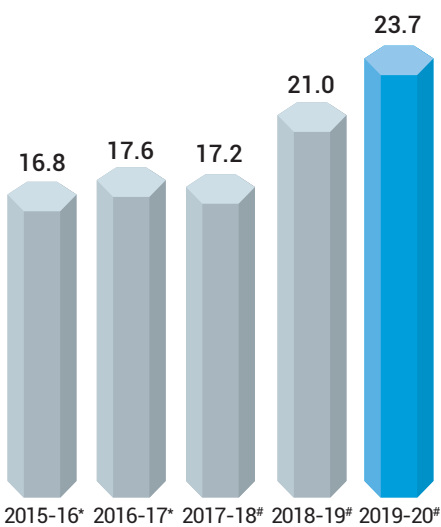
Return on Equity (%)



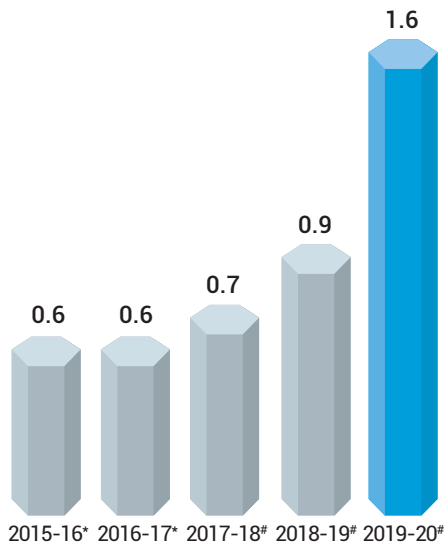
Return on Average Assets (%)



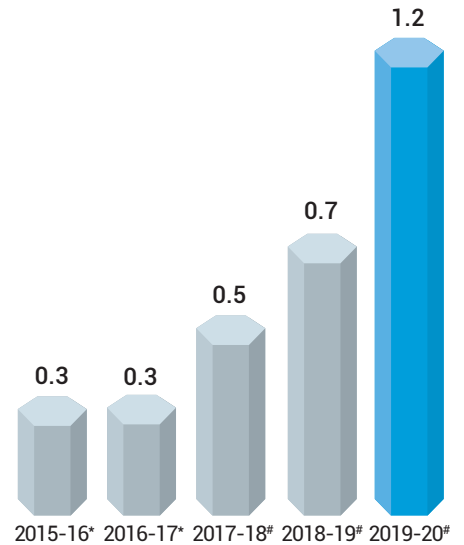
Capital Adequacy Ratio (%)



Gross NPA*/Gross Stage 3# (%)



Net NPA*/Net Stage 3# (%)



Note: The GNPA and NNPA depicted in the graph are on POS. However, on AUM, the GNPA is 1.34% and NNPA is 1.08%.

* Figures as per IGAAP | # Figures as per Ind AS

Combating the Impact of COVID-19

The impact of the Covid-19 pandemic on individuals, families, businesses, societies and countries was large and widespread. As a response, the Governments across the world implemented emergency measures to curb the spread of the virus.



Our Response: The New Normal

At IIFL Home Finance, our focus is to keep our employees safe, our customers satisfied and to maintain our stakeholders trust. As a conscious organisation, we have always remained ahead of the curve by building a strong culture of technology enabled operations for better customer satisfaction. We implemented work from home, without any disruption to regular operations and customer services. With the gradual opening of the lockdown, we have suitably adapted to 'the new normal' and continue to deliver our best to our customers and all our stakeholders.



Our Initiatives

Our Work Mantra

As the lockdown has been lifted, we have over 30% employees working from our branches and offices as per the Government guidelines. We ensured seamless delivery of our products and services through our virtual platforms, making it our new *Work Mantra*.

Staying Informed

Staying informed is the centre of the node. We ensured that our employees, while working from home, remained updated with the latest useful materials and resources through our digital platforms. We introduced Moneyversity-online learning platform, self-development sessions, interesting engagement activities, workout sessions and townhalls, among others.

#MereGharSe Campaign

This campaign was designed to encourage people to live sustainably and to create sustainable communities. We aimed to create stronger bonds with customers by creating brand awareness and communicating with them regularly with #MereGharSe campaign on social media.



Relief Programme

Extended relief programme for migrant labourers at construction sites at four locations and conducted the following activities:

Distributed essential and personal care kits

Educated about preventive measures against Covid-19

Provided knowledge to women for maintaining hygiene

Conducted game-based learning for children at site

715

Lives impacted



A Salute to Frontline Warriors

IIFL Home Loan reached out to its customers who are the frontline warriors during Covid-19, to hail their spirit for working 24x7 to keep the nation healthy and safe.



Marketing Initiatives

Angikaar Campaign

We supported the Government's Angikaar campaign for social behaviour change focusing on issues such as water & energy conservation, waste management, health, sanitation and hygiene for beneficiaries of PMAY (U) across different parts of India. As a part of this campaign, we undertook various health and awareness initiatives through community mobilisation.



40,000+

Lives touched

12

Locations

7

Channels

Taking Angikaar to CLSS Beneficiaries



Home Loan Mela

We organised Home loan Mela across four different locations to reach out to our prospects in a much easier and faster manner. On-the-spot approval facility was offered on pre-approved projects to maximise the impact and optimise lead generation.

Bhavnagar Home Loan Mela

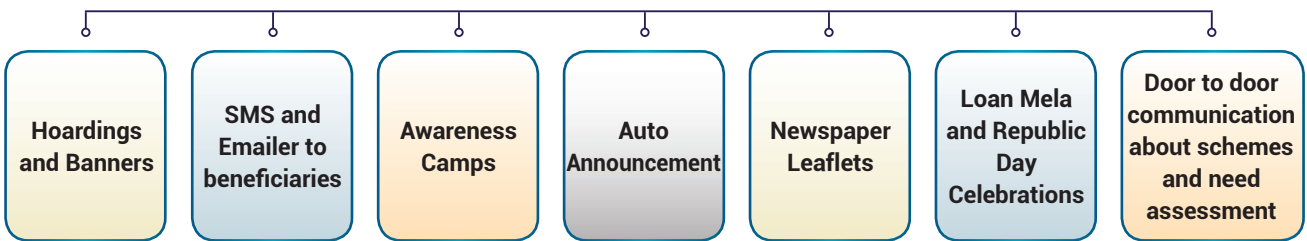
The Company organised a Home Loan Mela at Bhavnagar, Gujarat on the 71st Republic Day of India. The mela was targeted to extend the benefits of on-the-spot approval to the Bhavnagar Municipal Corporation (BMC) flat allottees. We also conducted various Information, Education and Communication (IEC) activities to spread awareness. A second phase of Bhavnagar Home Loan Mela was also organised to extend the benefits and enhance conversion rate.



2,300

Target Homes in
Bhavnagar Home Loan Mela

Integrated Marketing Communication



Eco Lessons: Sustainable Living Campaign at Schools

We organised a campaign for school students to help them learn the importance of eco-friendly ways of living to conserve and protect the planet. Topics covered were recycling, waste management, minimising pollution, making school a greener place and pledge for sustainability.



6

Cities

14

Schools

4,500+

Students

Wall Painting

We continued to spearhead various brand awareness campaigns such as wall painting to increase impact and reach out to potential customers across tier II and tier III cities.

The display makes customers aware of our affordable loan offerings which suits their credit needs. The campaign enabled us to connect with aspiring homeowners and make a difference to their lives.



6

Markets

30

Walls

Our Value-creating Business Model

As a role player in a socioeconomic ecosystem, we continue to create value that promotes positive outcomes for society, customers, planet and the organisation, by using our core strengths, prudent strategies and solid foundation.

INPUTS



Financial Capital

Our robust capital base (equity, debt) to leverage long-term opportunities and support business operations.



Service Capital

Our extensive network of branches, touch points and state-of-the-art infrastructure to serve customers.



Intellectual Capital

Our rich expertise, high-end tech-enabled platforms and efficient processes to drive product innovation and long-term sustainability.



Human Capital

Our competent and experienced workforce that enables us to deliver products and service responsibly with better customer experience.



Social and Relationship Capital

Our holistic value creation across communities and transparent long-term relationships with customers, partners and other stakeholders.



Natural Capital

Our prudent usage of natural resources and efforts to minimise impact on environment through sustainable business activities.

OUR BUSINESS GOAL

As a forward-looking organisation, we contribute towards an inclusive growth by nurturing the home buying aspirations of the underserved customer segment through our affordable home loan offerings.

OUR BUSINESS PROCESS



Customer on-boarding



Tech-enabled loan processing



Real-time loan sanction decisioning



Fulfilling customer needs



Monitoring and collections





KEY COMPETENCIES



Customer-first approach



Customised product offerings



Strong geographical footprint



Advanced digital platforms



Prudent credit assessment



Ethical and transparent processes



Skilled and experienced people

SUPPORTING SUSTAINABLE DEVELOPMENT GOALS (SDGs)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



13 CLIMATE ACTION



VALUE CREATED FOR THE STAKEHOLDERS



Investors

Growing sustainable returns on investment

PAT: ₹ 2,449 million

ROE: 13.8%

ROA: 1.8%



Customers

- ▶ Loans as per needs with better access to affordable home loans
- ▶ Innovative and secure digital platforms
- ▶ Seamless on-boarding journey and faster turnaround



Employees

- ▶ Performance-based recognition and reward
- ▶ Learning opportunities for career progression
- ▶ Progressive work environment with seamless collaboration and engagement
- ▶ Diverse and inclusive workforce with equal opportunity



Community

- ▶ Financial products and services with a positive social impact
- ▶ Access to affordable healthcare facilities
- ▶ Empowering the marginalised sections of the society through education initiatives
- ▶ Robust Environmental, Social and Governance practices to ensure a sustainable business



Government and Regulatory bodies

- ▶ Strong culture of governance, and ethical and transparent practices
- ▶ Adherence to relevant regulations and guidelines

Chairman's Message



We emerged stronger with our robust business model, tech-enabled processes, a differentiated portfolio and talented workforce. Through our responsible growth strategy, we continuously created opportunities for the underserved customers by fulfilling their dreams and nurturing them every step of the way.



Dear Shareholders,

The last few months have witnessed unexpected and unprecedented changes in the way we live and work owing to the Covid-19 pandemic. It has impacted societies and economies at their core. While the tough times are inevitable, I believe that the crisis is an opportunity in disguise and as the old saying goes should not be wasted.

Your company emerged stronger with our robust business model, tech-enabled processes, a differentiated asset portfolio and talented workforce. Our unwavering focus remained on keeping our employees and the communities that we operate in, safe and healthy. Through our responsible growth strategy, we continuously created opportunities for the underserved customers by fulfilling their dreams and nurturing them every step of the way.

The financial year 2019-20 was a period of turbulence. Subdued macroeconomic environment, financial sector liquidity crunch and slowdown in the infrastructure segment impacted the overall growth outlook. In addition, the lockdown disrupted economic activities across the country. The Government and the Reserve Bank of India (RBI) intervened to contain the economic impact of the virus by taking significant steps. Government announced immediate support for farmers, construction workers and migrant labourers—most impacted by the economic standstill. The RBI announced measures such as liquidity infusion through cash-reserve ratio cut, targeted long-term repo auction and more importantly allowing a three-month moratorium on all-term loans and working capital, later extended to six months.

On a positive side, farm sector emerged stronger on the back of robust output and prices. As per World Bank's Ease of Doing Business 2020 Report, India moved up by 14 positions to 63rd ranking in 2019, enhancing the country's competitiveness globally.

In real estate sector, lockdown impacted construction activities and disrupted sales. Liquidity tightness and lockdown affected loan disbursement and collections in the housing finance sector. However, Government's announcements like National Housing Bank (NHB) raising liquidity for Housing Finance Companies and

approval of ₹ 25,000-crore alternate fund have all been a positive. Special focus on the housing sector in the Budget 2020 will ensure demand recovery in the housing finance sector. The Government's continued impetus on 'Housing for All' mission under the Pradhan Mantri Awas Yojana (PMAY) along with the subsidy benefits will make home loans more affordable for customers across the social spectrum.

Your organisation's philosophy is anchored around the vision of 'Complete Profitability' and Environmental, Social and Governance (ESG) framework with increased focus on sustainable growth. During the year, IIFL Home Finance continued its journey of providing home loans to the lower income segments of the society and help realise their biggest dream. Our robust systems and processes backed by sound governance, ethical and transparent practices and risk management resulted in superior asset quality. During the year 2019-20, our total revenue and net profit stood at ₹ 17,752 million and ₹ 2,449 million respectively. We effectively served our growing base of customers across length and breadth of the country by leveraging 2,377 touch points of the IIFL Group.

Driving financial inclusion has been in our DNA since our inception. Our key loan offerings, Swaraj Loan, help us fulfill the needs of the marginalised section in the best possible manner. We actively collaborated with various State Governments and State Housing Authorities in order to promote affordable housing. We helped empower over 38,300 customers with more than ₹ 9+ billion subsidy as on March 31, 2020, under the Pradhan Mantri Awas Yojana – Credit Linked Subsidy Scheme (PMAY-CLSS).

Today, your company has digital capabilities that can transform experiences; improve connectivity and knowledge sharing. Our advanced technology adoption made 'Work from Home' a 'New Normal' during the lockdown. We successfully automated the credit underwriting process on the basis of analytics driven

tools. With 'Jhatpat' app, the loan sanction process has been made much faster and easier. Our seamless on-boarding process and efficient end-to-end loan disbursement mechanism has enabled us to provide delightful and convenient customer service.

We endeavour to provide relevant skill development opportunities to our talent pool and have made continuous efforts to build an inclusive culture. Our responsive, industry focused, customer-centric workforce makes us deliver better offerings and customer satisfaction.

We supported Government's 'Angikaar' campaign for bringing social behaviour change for beneficiaries of completed homes under PMAY (U).

The Company supported affordable Green buildings structures through its initiative 'KUTUMB'. During the year, we introduced 'Green Value Partner' program to enable developers obtain a Green Building Certification. We always aim to operate responsibly and conduct business in a socially responsible manner. Our thoughts remained with the communities and individuals deeply hit by the Covid-19 outbreak. For migrant labourers at construction sites, we took an initiative by educating them on the precautionary measures and providing essentials and relief kits.

Looking ahead, we will continue to work towards enabling access to affordable credit to our customers by further enhancing our strengths and adopting newer digital platforms. As I conclude, I express my sincere gratitude to our shareholders, bankers, customers, Board of Directors and our committed employees. These are challenging and uncertain times, but we are confident that we can get through this together.

Best Wishes,

S. Sridhar
Chairman



From the CEO's Desk



As a fintech housing finance player, we are dedicated to make our customers' journey of owning a home as seamless as possible. Our future-ready technology system helped us continue the business activities smoothly even during the pandemic. With advanced analytical tools and automation, we have made credit underwriting, appraisal and collection processes faster and accurate.



Dear Shareholders,

The world today, is displaying an unprecedented environment. One of the greatest health threats has profoundly impacted the global economy and all of its citizens. However, as a responsible organisation, we have remained well-prepared to support our customers, people and communities across the country.

Our strong foundation with sustainable business practices, robust risk management and sound governance has helped us seamlessly navigate headwinds during the tough times. We remained future-focused by nurturing the hopes of millions of home aspirants with our affordable home loan offerings and digitised platforms.

The year 2019-20 witnessed various macro-economic headwinds owing to subdued private consumption, lower investments and demand weakness across manufacturing, construction, and real estate sectors. The lingering effects of earlier policy measures, increasing inflation, liquidity challenges in the Non-Banking Financial Services (NBFC) sector, coupled with decline in credit growth further slowed down the overall momentum of the economy. As a result, the GDP growth in FY 2019-20 came down to 4.2% as compared to 6.1% in FY 2018-19.

The Government continued announcing several measures to revive the demand. It included capital infusion into public sector banks to generate additional lending capacity and liquidity, easing FDI rules, corporate tax rate cut and income tax rate cut, among others. The Government also encouraged the real estate sector by announcing last-mile funding for about 1,600 stalled projects at different stages and increasing income tax exemption on housing loans for affordable housing. Further the 'National Infrastructure Pipeline' gave the right direction to spur economic activities.

The first half of CY 2020 was dominated by the unexpected pandemic and the consequent lockdown. As a result, the country experienced muted demand and almost stagnant economic activities during the various phases of the lockdown. The housing finance sector also faced liquidity constraints and reduced disbursements. The Government along with the RBI intervened and announced important reforms and economic packages to revive the economic slowdown.

Amid the crisis, we remained resilient underpinned by our strong business model, future-centric strategies and robust technology architecture. Moreover, we are optimistic that the Government's continuous thrust on affordable housing along with rising disposable income, increase in nuclear families and fiscal incentives on housing loans will catalyse demand in Tier II and III cities in the coming future.

With our shared vision of 'Complete Profitability', and fair and transparent policies, we strive to create a secured future for our customers across the country. Despite the challenging scenario, we reported a total loan assets under management of ₹ 184,947 million. The Company benefited 28,900+ customers till date through Swaraj Home Loans, which caters to the needs of informal segment of the society. While we fulfilled the credit needs of small and medium enterprises through our Samman Loan against Property. During the year, the Company has been able to securitise and assign ₹ 28,101 million worth of assets. This is a testimony to our strong credit approval capabilities and robust portfolio quality.

We are focused to play our part in driving financial inclusion by reaching more customers in the tier II tier III cities backed by IIFL Group's widespread network of 2,377 touch points across the country. We are the preferred housing finance partner for several State Governments and prominent State authorities. Under the Pradhan Mantri Awas Yojana - Credit Linked Subsidy Scheme (PMAY-CLSS), we helped over 38,300 customers avail subsidy benefits worth ₹ 9+ billion. During the year, we also raised ₹ 7,000 million as refinance from National Housing Bank.

As a fintech housing finance player, we are dedicated to make our customers' journey of owning a home as seamless as possible. Our future-ready technology system helped us continue the business activities smoothly even during the pandemic. With advanced analytical tools and automation, we have made credit underwriting, appraisal and collection processes faster and accurate. Our 'Jhatpat'

mobile application ensures sanction decisioning within 45 mins. Besides, instant KYC validation, E-signing and easy loan on-boarding has improved efficiency and enhanced customer experience.

The Company is relentlessly building competencies to provide a rewarding career to its employees. Their dedication and tenacity enabled us to continue to serve our customers and the broader societies through a difficult time. As we make the changes to build a stronger foundation for the Company, we continue to recognise and act upon the broader role we play in our communities. We initiated 'Covid-19 response' relief programme by distributing essentials and personal care kits to migrant workers and their families at construction sites and also educated them about the preventive measures.

We are committed to create a sustainable impact through Environmental, Social and Governance (ESG) initiatives in line with four Sustainable Development Goals (SDGs) out of the 17 SDGs by the United Nations. Through 'KUTUMB-an Initiative towards Green Affordable Housing', we aim to create sustainable green projects. We started a pioneering initiative namely, 'Green Value Partner' to assist the developers with the process of Green Building Certification. The Company also conducted awareness campaigns to support Government's 'Angikaar' initiative focusing on social behaviour change for beneficiaries of homes under PMAY (U).

As a sustainable organisation with wide footprint and tailored offerings, I believe IIFL Home Finance is well positioned to deliver the purpose of nurturing home buying aspiration of its customers. I would like to thank my fellow Board members for their wise and invaluable counsel in an increasingly complex environment. On behalf of us all at IIFL Home Finance, I thank our employees, customers, shareholders and stakeholders for their continued faith in our actions. As always, we remain committed to meeting their expectations and creating more value.

Regards,

Monu Ratna
Chief Executive Officer (CEO)



Nurturing a Better Future

Best-in-class Offerings

Customers are at the heart of our business strategy. We aim to create long-term value for our large customer base in a sustainable and responsible manner.

At IIFL Home Finance, we listen to our customers' requirements, educate and advise the right solution to meet their needs. Our deep understanding of the needs of the economically weaker section (EWS), lower and middle income segment, along with our strong capabilities, enable us to fulfill their dreams of buying a home.



Fostering Financial Inclusion

The Government's PMAY scheme presents a tremendous opportunity for home finance players in the country. Aligned with the 'Housing for All' mission, we remain committed to playing our role in the country's progress by bringing the 'financially excluded', especially women, inside the perimeter of mainstream economy. Our goal is being achieved through relevant and tailor-made low-ticket sized loans such as Swaraj and Samman Loans at affordable interest rates to enable first-time homebuyers own their dream home.



Swaraj Loans

Swaraj Home Loans caters first-time home buyers with informal income documentation by providing loans at affordable interest rates. With an average ticket size of ₹ 1.3 million to first time home buyers in the underserved segment of the society, Swaraj Home Loan also presents an attractive proposition in the form of Credit Linked Subsidy Scheme (CLSS) benefits.

₹ **9.4** billion

Swaraj Home Loans Disbursed

28,900+

Swaraj Customers till date



Swaraj Home Loan Customers with Credit Linked Subsidy (under PMAY)

13,500+

No. of Beneficiary Families

₹ **3.15+** billion

CLSS Subsidy Disbursed

Creating a Bigger Impact Together

- ▶ Supported Government in design and development of CLAP (CLSS Awas Portal; a tracking system for beneficiaries to track their loan application) through innovative ideas
- ▶ One of the preferred home finance company for Rajiv Gandhi Rural Housing Corp Limited, Karnataka and Haryana Housing Board
- ▶ Strengthened relationship with Andhra Pradesh Township & Infrastructure Development Corporation Limited, Gujarat Housing Authorities and approved affordable housing builders under Chief Minister Jan Awas Yojana in Rajasthan
- ▶ Availed NHB Refinance of ₹ 7,000 million in March 2020, with a cumulative refinance of ₹ 25,250 million till March 31, 2020

38,300+

Total beneficiaries facilitated with PMAY Subsidy through IIFL Home Loan

₹ **9+** billion

Total subsidy under PMAY(U) through IIFL Home Loan

Samman Loans

Samman loans are exclusively offered to MSMEs and small business owners to safeguard them against unorganised lending at exorbitant interest rates. The maximum loan offered extends upto ₹ 3.5 million with flexible repayment options.



Nurturing Technology Architecture

Building Scalable and Digital Processes across Business Facets

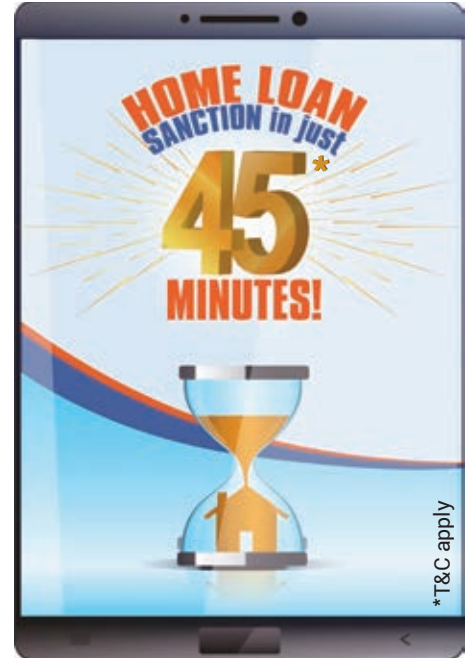
Amid a radical technology landscape with changing customer preferences, we have built an integrated tech-empowered organisation, underpinned by advanced platforms.

Our digital strategy is aligned with the organisation's culture of customer-centricity and 'Complete Profitability' with an equal focus on People, Organisation, Society and Environment. With strong digital capabilities and efficient processes across business functions, we ensure superior customer experience, enhanced transparency and sustained growth.



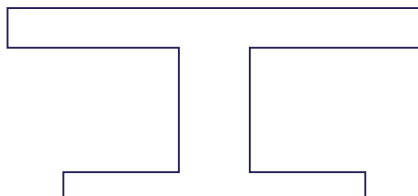
Our Technology Initiatives to Enhance Customer Experience

- ▶ Jhatpat, a real-time customer on-boarding and credit sanctioning application has transformed the landscape of lending for home loans. The application processes home loans with faster loan sanction decisioning within 45 minutes. It has been now extended to Direct Selling Agents and builders as well.
- ▶ Our approved projects system, integrated with the loan origination system, enables same day loan sanction for the approved projects.
- ▶ Our partnership with various Fintech vendors allow instant KYC validation, banking statement analysis, ITR and organisation details validations. We have also added E-signing and E-NACH capabilities.



Robust Collection Strategy

- ▶ Robust collection process with structured guidelines and digital tools
- ▶ Dedicated CRM platform for tele-calling supported by digital payment channels
- ▶ Mobile app for field collection team with integrated receipt functionality
- ▶ Partnership with cash drop solutions for enhanced collection reach
- ▶ Dedicated application used for collection legal team to track cases and issue notice



Sound Credit Underwriting Mechanism

We have in place a complete paperless credit underwriting mechanism that includes analysis of KYCs, income documents, credit history, business set-up and profile of the customer. The decision making process is fully automated with the help of business rule engine. In addition, latest digital platforms ensure adequate quality checks.

Growing Together with Our Competent Team

We truly believe that the passion and efforts of our employees drive responsible growth and greater customer satisfaction. We continuously invest in providing them better opportunities with a diverse and inclusive workplace.

At IIFL Home Finance, we have built a culture in which all the employees feel equal, respected and inspired to contribute towards a shared vision. With special focus on building a sustainable work environment, we regularly conduct skill development training and employee engagement programs. This enables us to improve productivity and deliver accessible financial products and service to the underserved segment of the society.



We have been constantly nurturing the passion of our people through evolving policies, processes and interventions. Some of the initiatives we undertook during the year include:

- ▶ Introduced mobile app for learning, wellness and integration of our AI chatbot with inhouse business apps which helped employees remain aware of policy changes, learn new skills, invest time in well-being and voice their opinion
- ▶ With the vision of 'Complete Profitability – an ESG initiative', our people have been creating impactful changes by minimising usage of plastic, reducing carbon footprints, avoiding printing papers, organising donation and plantation drives, among others
- ▶ Our agile workforce seamlessly adapted the new work environment and processes as a part of the new normal post the COVID-19 outbreak

270+

Employee engagement interventions throughout the year

2,131

Workforce







Environmental, Social and Governance Initiatives

A responsible business strategy is integral to sustainable growth and that of the customers, stakeholders and communities we serve.

Environmental, Social and Governance (ESG) is embedded in our ecosystem and shapes the way we conduct business, develop products and services and deliver on our goals. We follow the best business practices in the communities in which we operate and efficiently manage our business to be accountable to stakeholders.

Integrating UN Global Sustainable Development Goals in Our Strategy

As we aim for 'Complete Profitability' and continue our journey of growth, we intend to integrate our vision with various ESG initiatives and four specific SDGs that enable us to work towards the collective growth of all stakeholders.

 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	 <p>10 REDUCED INEQUALITIES</p>	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	 <p>13 CLIMATE ACTION</p>
<ul style="list-style-type: none"> ▶ 92,280+ loans to first-time home buyers ▶ 78,860+ affordable housing units funded across India through home loans ▶ Greater access to finance in Tier 2 & suburban markets using fintech solutions ▶ End-to-end support and no cost consultation on green building methodologies via our Green Value Partner Model 	<ul style="list-style-type: none"> ▶ 25,800+ loans to informal income segment ▶ 59,200+ loans disbursed to women owners/co-owners ▶ Learning centre cum crèche facilities for 100+ families of construction workers ▶ AI chatbot for transparency & engagement between employees and senior management ▶ Introduction of paternity leaves 	<ul style="list-style-type: none"> ▶ Facilitated 38,300+ families with over ₹ 9+ billion of Credit Linked Subsidy ▶ 7,500+ approved affordable housing projects ▶ 3,500+ home loans disbursed in backward markets/locations ▶ Collaborating with various State Governments to advocate housing finance for economically weaker section 	<ul style="list-style-type: none"> ▶ Construction of 2,000+ green dwelling units ▶ 1,159 tonnes/year of reduction in CO₂ emission ▶ 59,130 kilolitres/year water savings ▶ 75-80% diversion of waste to landfill ▶ 600+ participants, 430+ developers and 36+ experts engaged through Kutumb

ESG Framework

During the year, the Company formed a unified enterprise ESG framework, for which an in-house ESG team was set up to methodically execute, track and report its ESG performance. To ensure a full-fledged dissemination of the ESG policies and practices, the Company also conducted training sessions at eight locations in India for all its departments.



Environmental Initiatives

We are conscious of our responsibility towards the environment and are judicious in natural resource utilisation. Our Company has launched various initiatives to reduce environmental impact caused by construction activities.

Kutumb: Promoting Green Affordable Housing

An initiative towards green affordable housing that collaborates with all stakeholders of green and affordable housing in India and encourages them to move from conventional to sustainable methods of housing development.

Through our various Kutumb events organised during the year, we brought together leading industry professionals in real estate, green and sustainable infrastructure sector.

600+ participants,
430+ developers and
36+ experts engaged

Green Value Partner. Our Inhouse Technical Expertise

The concept of Green Building Certification has continuously influenced the building construction sector in the country owing to sustainable benefits. However, multiple approvals required to obtain a Green Certification, created a knowledge and awareness gap for developers.

IIFL Home Finance established a mechanism in the form of Green Value Partner (GVP) to provide assistance (handholding) to the developers by partnering with them throughout the project life cycle and ensure successful achievement of Green Building Certification. We have an expert inhouse technical team for accomplishment of the GVP objectives across the country.

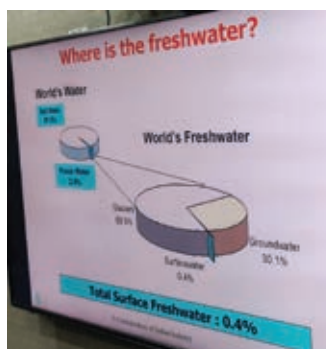
Green Certification Stages

- ▶ Initial assessment report
- ▶ Project Registration
- ▶ Engagement of Green Consultant
- ▶ Pre-Certification
- ▶ Project Monitoring
- ▶ Final Certification



GREEN VALUE PARTNER

CONCEPTION TO CERTIFICATION



Angikaar: A Campaign for Behavioural Change Management

Angikaar is an awareness campaign for social behaviour change focusing on issues such as water and energy conservation, waste management, health, sanitation and hygiene for beneficiaries of completed houses under PMAY (U) through community mobilisation. IIFL Home Loans, in its endeavour to spread awareness about the Angikaar Campaign and support Ministry of Housing and Urban Affairs (MoHUA), conducted various activities across the country throughout the year.

Angikaar Components

- ▶ Environment Protection
- ▶ Segregation of Waste
- ▶ Water Conservation
- ▶ Healthy Living
- ▶ Go Green, Plant Trees
- ▶ Cohesive Living
- ▶ Smoke-Free Kitchen
- ▶ Energy Conservation

40,000+

Lives Touched

12+

Locations Covered on-ground



Social Impact

By combining our resources and expertise with scale of operations, the Company creates responsible and inclusive economic growth. We design our products to fulfill customers' financial needs along with promoting environmental and social compliance. We promote women empowerment through our efforts to facilitate Credit Linked Subsidy benefits under the PMAY (U) where it is mandatory to have at least one woman member registered as the owner/co-owner of the new home. Our product such as 'Swaraj' loans cater to the needs of first-time home buyers from varied socio-economic backgrounds. While 'Samman' loans fulfill the credit needs of small traders and help drive financial inclusion across the country.

As a responsible corporate, we constantly empower women and foster employee welfare through initiatives like paternity leave policy and crèche services. During the year, we also introduced ESG employee engagement exercises to stimulate a workforce with environmentally and socially driven mind-sets.

The Company also undertook several initiatives for community welfare including focused programmes for enhancing girl child education, financial literacy among construction workers and their families, and tribal development, among others, through the CSR arm of the IIFL Group.



Robust Governance Framework

We have a sound and robust governance structures, with clear roles and responsibilities. Our ethical business operations are supported by detailed policies and procedures on anti-corruption, anti-bribery, stringent data protection and customer privacy norms among other policies. We conduct regular training with our employees on the aforesaid governance policies. Our emphasis remains on developing sturdy systems and processes that enable a thorough risk assessment based on environmental, social and governance parameters, beyond the compliance requirements, and at the same time adopting the best business practices.



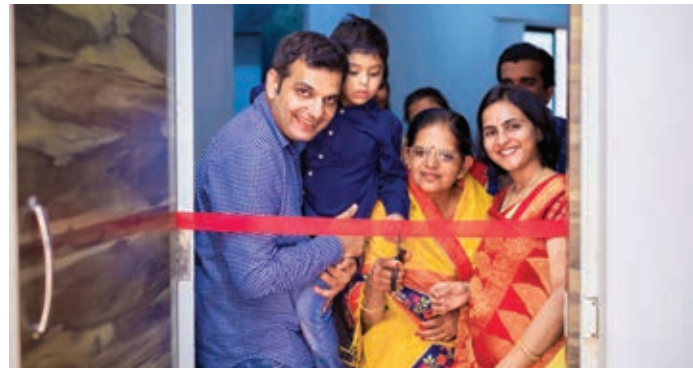
Creating a Positive Social Impact



Our success is interlinked with the wellbeing of the societies in which we operate. As one of the leading housing finance companies, we understand our responsibility to leaving a positive impact on the communities.

Fulfilling the Dreams of First-time Home Buyers

Our country still has a huge share of economically active urban and rural poor, who need financial support to realise their dream of owning a home, but cannot approach formal channels of finance. Our key home loan product 'Swaraj' Loan caters to such people across the social pyramid, mainly belonging to the underserved sections in Tier-1 and Tier-II cities. We fulfill the needs of these first-time home buyers by enabling them the freedom from strict income documentation and by providing loans at affordable interest rates.



Empowering Women through CLSS

The credit linked subsidy scheme (CLSS) under PMAY (U) requires the home to be compulsorily owned or co-owned by a woman member of the family. Aligned with the Government's vision of women empowerment through CLSS, we facilitate our customers with subsidy benefits and inspire women to build better lives for themselves and their families.

Securing the Future of Small Business Owners

Through our 'Samman' loan offering, we strive to uplift the lives of small traders and businesses by helping them expand their businesses and meet other personal or professional needs. It is a tailor-made product to meet the financial needs of small set-up owners including a grocery store, mobile store, restaurant among others, against mortgage of immovable property,



Driving Social Behaviour Change through 'Angikaar' Campaign

The Company has actively contributed towards Government's Initiative - Angikaar which is an awareness campaign for social behaviour change, water & energy conservation, waste management, health, sanitation and hygiene for beneficiaries of completed houses under PMAY (U) through community mobilisation. We impacted over 40,000 lives across 12 cities through our awareness campaigns.

'Sakhion ki Baadi'

Through its flagship initiative 'Sakhion ki Baadi', IIFL Foundation provides quality education to thousands of underprivileged children, with a special focus on the girl child. We have enabled educational development by setting up schools in many districts of South Rajasthan including tribal districts of Rajsamand and Udaipur. During FY2019-20, IIFL Foundation expanded its operations with establishment of 30 new Sakhion Ki Baadi centres at Pali District

35,964

Girls benefited



Self-Defence Training

IIFL Foundation introduced sessions on 'Self-Defence Training' for the teachers at our community centres administered by trained professionals. Over 1,000 women and 28,000 younger girls, across nine districts of Rajasthan, were trained in self-defence techniques.

Mission 'Chouras'

IIFL Foundation conducts learning sessions through mission 'Chouras' for children of construction workers who lack access to basic education. Managed by well-trained teachers, Chouras also takes care of the basic nutritional needs of the children. During the year, a health check-up camp was organised at one of the centres, where 92 children underwent health check-ups.



Rathshala

IIFL Foundation's unique initiative Rathshala helps educate the upcoming generation of the Rebaris – pastoral nomads from the Sirohi district. With two Rathshalas in operation, overall more than 200 families have been benefited through this novel initiative.

Nukkad Natak

The Company promoted awareness on 'Child Rights' through interesting interactive programs such as Baal Samvaad (a dialogue) & Nukkad Natak (skit)



Health Initiatives

IIFL Foundation organised a dental checkup camp offering free consultation to the community members. It also organised a Blood Donation Drive in Mumbai, Nasik, Aurangabad and Nagpur, which witnessed good participation from the employees.

Awards & Accolades



'Best Company of the Year'
in Affordable Housing by
DNA in November 2019



**'Best Green & Sustainable
Initiative in Affordable
Housing'** by ZEE Business
in September 2019



**'Best Affordable Housing
Finance Company of
the Year'** by ET Now in
February 2020



'Technology Initiative of the Year; Jhatpat Home Loans' by ABP News in November 2019



Award for 'Social Media Marketing' by ET Now in December 2019



'Best Housing Finance Company of the Year' by ET NOW in February 2020



'Developing Sustainable Strategies' by ET Now in February 2020

Board of Directors



Mr. S. Sridhar (Chairman and Independent Director)

Mr. S. Sridhar is an eminent personality in the banking and finance industry and has held several senior positions in retail, corporate and export/import banking in his career of over 45 years culminating as the Chairman of NHB and Central Bank of India. In his stint as Chairman and Managing Director of the NHB, he was responsible for a number of new initiatives such as the NHB Residex, Rural Housing Fund and Reverse Mortgage for senior citizens. Prior to this, he was associated with Export Import Bank of India as Executive Director as well as State Bank of India in the early part of his career.



Mr. Nirmal Jain (Non-Executive Director)

Mr. Nirmal Jain is one of the original Directors of our Company. He holds a Bachelor's Degree in Commerce from University of Mumbai. He is a Fellow Member of the Institute of Chartered Accountants of India (held the 2nd rank) and also a Cost Accountant. He holds a Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He started his career in 1989 with Hindustan Lever Limited, the Indian arm of Unilever, where he handled a variety of responsibilities, including export and trading in agro-commodities. In 1995, he founded India Infoline Limited (earlier known as Probity Research and Services Private Limited). He is currently the Chairman of IIFL Finance Limited.



Mr. R. Venkataraman (Non-Executive Director)

Mr. R. Venkataraman is the Co-Promoter and Managing Director of IIFL Finance Limited. He holds a B.Tech from Indian Institute of Technology, Kharagpur and MBA from Indian Institute of Management IIM, Bangalore. He joined the IIFL Group in July 1999 and has been on the Board of Directors of the Company since its inception. He has been instrumental in establishing various line of businesses over the past 19 years. He previously held senior managerial positions at ICICI Limited, including ICICI Securities, its investment banking joint venture with JP Morgan, and Barclays BZW. He worked as Assistant Vice President with GE Capital Services India in its private equity division. He has a varied experience of more than 26 years in the financial services sector.



Mr. Kranti Sinha (Independent Director)

Mr. Kranti Sinha is a renowned person in insurance and housing finance industry. He served as the Director and Chief Executive of LIC Housing Finance Limited and concurrently as the Managing Director of LICHFL Care Homes Limited. He was also the Deputy President of the Governing Council of Insurance Institute of India and was a Member of the Governing Council of National Insurance Academy.



Mr. Monu Ratra (Executive Director and Chief Executive Officer)

Mr. Monu Ratra is a Graduate of Architecture and MBA with over 18 years of work experience in the financial services industry. Mr. Ratra has been instrumental in growth of IIFL Home Finance Limited's loan book substantially during the past three years. Under his leadership, IIFL Home Finance Limited has aspired to become key player in affordable housing segment and to serve the need of housing finance, especially, of those who are underserved or untouched. Prior to joining IIFL Group, he was associated with Indiabulls Housing Finance Limited as National Business Manager where he was responsible for setting up and building the retail home loan business along with their home equity business. Mr. Ratra has also served HDFC Ltd., ICICI Bank.



Ms. Suvalaxmi Chakraborty (Independent Director)

Ms. Suvalaxmi Chakraborty is B.Com (Hons.) and Chartered Accountant, serves as an Advisor at Transwarranty Finance Ltd and Positron Consulting Services, with advisory assignments spanning debt syndication, mergers & acquisitions and capital raising for mid market corporates, among others. She is also Advisor for Fullerton India Credit Company Limited. Ms. Chakraborty has been an Independent Director of Fortis Healthcare Limited since April 27, 2018. Prior to this, Ms. Chakraborty served as the Chief Executive Officer of India Operations at SBM Holdings Ltd. (previously known as State Bank of Mauritius Limited) from 2010 to 2013. She launched and ran the commercial banking business of Barclays Bank in India from 2007 to 2010. She held several positions at ICICI Ltd and ICICI Bank between 1989 and 2006. Ms. Chakraborty has 29 years of experience in banking and financial sector with exposure in a diverse set of businesses. She has featured in the Fortune India List of 50 most powerful women in business.



Mr. Sumit Bali (Non-Executive Director)

Mr. Sumit Bali is the Chief Executive Officer of IIFL Finance Limited. He holds a B.A (Hon) from St. Stephen's college, New Delhi, and has completed his PGDM from IIM Ahmedabad. Prior to his current role, Mr. Bali spent 24 years with Kotak Group. His last position at Kotak Mahindra Bank was of Senior Executive Vice President, overseeing consumer banking retail asset products including home loans, loan against property, credit cards, salaried personnel loans and SME loans. Previously he also held the position of Chief Executive Officer of Kotak Mahindra Prime Limited (KMPL) and also was a Director on KMPL's Board. He began his career with Glaxo India Limited in 1990 and has also worked with Asian Paints (I) Ltd. Mr. Bali is a seasoned banker with an experience of 29 years in the Indian corporate sector.



Mr. A. K. Purwar (Independent Director)

Mr. Arun Kumar Purwar works as Chairman of Eroute Technologies Private Limited, a fintech Co. He also works as an Independent Director in Companies across diverse sectors like power, telecom, steel, engineering consultancy, pharma and financial services. He also acts as an advisor to Mizuho Securities, Japan. He was Chairman of the State Bank of India ("SBI") from 2002 to 2006 and Chairman of the Indian Bank Association during 2005 to 2006. He has previously held positions such as Managing Director of State Bank of Patiala and has been associated in the setting up of SBI Life. Post his retirement from SBI, he was associated with a leading industry house in setting up the first healthcare focused private equity fund as well as a non-banking finance company focused on funding real estate projects as well as educational institutions.

Corporate Information

BOARD OF DIRECTORS

Mr. S. Sridhar

Chairman & Independent Director

Mr. Kranti Sinha

Independent Director

Mr. Arun Kumar Purwar

Independent Director

Ms. Suvalaxmi Chakraborty

Independent Director

Mr. Nirmal Jain

Non-Executive Director

Mr. R. Venkataraman

Non-Executive Director

Mr. Sumit Bali

Non-Executive Director

Mr. Monu Ratra

Executive Director & CEO

COMMITTEES OF BOARD

Audit Committee

Mr. S. Sridhar

Mr. Kranti Sinha

Mr. R. Venkataraman

Ms. Suvalaxmi Chakraborty

Nomination and Remuneration Committee

Mr. Kranti Sinha

Mr. S. Sridhar

Mr. R. Venkataraman

Stakeholder Relationship Committee

Mr. R. Venkataraman

Mr. Monu Ratra

Mr. Sumit Bali

CSR Committee

Mr. Kranti Sinha

Mr. R. Venkataraman

Mr. Sumit Bali

Chief Financial Officer

Mr. Amit Kumar Gupta

Company Secretary

Mr. Ajay Jaiswal

Auditors

M/s. Deloitte Haskins & Sells LLP

Chartered Accountants

Internal Auditors

M/s. KPMG

Chartered Accountants

Core Management Team

Mr. Sanjeev Srivastava

Chief Risk Officer

Mr. Mohit Kumar

National Credit Manager

Ms. Abhishikta Chadda Munjal

Head – Policy

Mr. Govind Modani

Head – Treasury

Mr. Manoj Kumar

Head – Legal

Mr. Iqbal Farooqui

National Collections Manager

Mr. Rachit Gehani

Head – Strategy & Initiatives

Mr. Upendra Jaiswal

Head – Internal Audit

Mr. Lokesh Goyal

Head – Technical

Ms. Anjali Chadha

Head – Operations

Registrar and Transfer Agent

Link Intime India Private Limited
C 101, 247 Park, L.B.S. Vikhroli (West),
Mumbai – 400 083

Registered Office

IIFL House, Sun Infotech Park
Road no. 16V, Plot no. B-23, MIDC
Thane Industrial Area,
Wagle Estate, Thane – 400604

Corporate Office

IIFL Tower, 98, Udyog Vihar
Phase – IV, Gurgaon - 122015

List of Bankers/Financial Institutions

National Housing Bank

Axis Bank

Allahabad Bank

Bank of India

Bank of Maharashtra

Canara Bank

Central Bank of India

CITI Bank

Corporation Bank

HDFC Bank

IDFC Bank

ICICI Bank

IDBI Bank

Indian Bank

IndusInd Bank

Jammu and Kashmir Bank

Karnataka Bank

Kotak Mahindra Bank Limited

Oriental Bank of Commerce

Punjab & Sind Bank

RBL Bank Ltd

Standard Chartered Bank

State Bank of India

Syndicate bank

United Bank of India

Yes Bank

CAUTIONARY STATEMENT: This document contains forward-looking statement and information. Such statements are based on our current expectations and certain assumptions and are therefore, subject to certain risk and uncertainties. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary. IIFL Home Finance Limited does not intend to assume any obligation or update or revise these forward-looking statements in light of developments, which differs from those anticipated.



IIFL HOME LOAN

IIFL Home Finance Limited

CIN No. U65993MH2006PLC166475

Registered Office:

IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23,
Thane Industrial Area, Wagle Estate,
Thane – 400604

Corporate Office:

Plot No.98, Udyog Vihar,
Phase - IV, Gurgaon – 122015
Tel: (91-124) 4780900

Website: www.iifl.com/home-loans



REDUCE. REUSE. RECYCLE.

This is 100% recycled paper.

Paper makes up about 28% of solid trash in landfills and one ton of paper takes up about 3.3 cubic yards of landfill space, according to the EPA. Recycling paper and cardboard saves space in landfills for trash that cannot be recycled and saving space in landfills reduces the need to build more landfills.