



Press Release  
For immediate publication

Mumbai, India  
July 23, 2013

## **IIFL Consolidated Q1FY14 Net Profit at ₹63 Cr up 21% yoy; Income at ₹676 Cr, up 16% yoy**

Results (consolidated) for the quarter ended June 30, 2013

- Income for the year at ₹676 Cr, up 16% yoy
- Profit before Tax at ₹92 Cr, up 13% yoy
- Profit after Tax at ₹63 Cr, up 21% yoy

### **Summary consolidated financials**

₹ Crores	Quarter ended Jun 30, 2013	Quarter ended Mar 31, 2013	Quarter ended Jun 30, 2012	% Quarter- on-Quarter	% Year-on- Year
Income	676.4	733.7	582.6	(7.8%)	16.1%
EBITDA	376.1	392.7	292.1	(4.2%)	28.8%
Profit Before Tax	92.5	116.0	82.1	(20.3%)	12.7%
Profit After Tax	63.2	81.0	52.2	(21.9%)	21.1%

**Mr Nirmal Jain, Chairman, IIFL**, commented on the financial results of Q1FY14 “Our core businesses continue to exhibit healthy and steady growth. While capital market related business continued to face headwinds, consumer finance and life insurance distribution maintained steady volume growth. During the quarter, reduction in gold loan portfolio has impacted margins but has further de-risked and diversified the business mix.”



### Financing and Investment

Financing and investment income was ₹477 Cr, which was 71% of total revenue. The NBFC subsidiary's loan portfolio stood at ₹9,463 Cr as on June 30, 2013, up 29% yoy and up 1% qoq. Our loan book is predominantly retail and is entirely secured with adequate collaterals. In Q1FY14, portfolio comprised mortgages, property loans, capital market products, gold loans, commercial vehicle loans and medical equipment financing. Share of gold loan in financial assets has fallen from 41.3% to 29.6% from Q1FY13 to Q1FY14. The share of mortgage/ LAP has risen to 37.8% during the quarter.

We continue to maintain high quality of assets. This is evident in low levels of NPAs. Our gross NPAs and net NPAs stood at 0.58% and 0.24% respectively at as on June 30, 2013, marginally up on qoq basis. Against gross NPA of ₹54.6 Cr we have nonstandard asset provision of ₹31.8 Cr and hence our net NPA stands at 0.24%. Besides this, we have a provision of additional ₹23.9 Cr, for standard assets, as per RBI requirement.

Our capital adequacy remains steady at 21.0%. NIM for the quarter was 7.1% and the spread was 6.5%.

### Distribution and Marketing

In Q1FY14 our income from this segment was ₹68 Cr, up 43% yoy. In this segment, distribution of life insurance, mutual fund and portfolio advisory are major contributors to income. Mutual fund AUM mobilised by IIFL Group is close to ₹14,000 Cr. IIFL Wealth has emerged as one of the leading players in the space with assets under advice of over ₹44,000 Cr. IIFL is one of the leading brokers of life insurance products.

### Capital Market and Related Fee

Capital Market and Related Fee comprising equities, commodities, currencies, investment banking etc income was ₹128 Cr in Q1FY14, up 2% yoy. The share of equities brokerage in total income stood at 11%. Cash market volumes remain flattish, continuing to put brokerage yield under pressure. Commodity and currency market volumes register a growth but likely to be impacted by CTT in commodity and RBI restriction on net open position in currency.

Our in-depth, thematic research continues to get positive response from domestic as well as global fund managers. Our recent research reports include India – IT, a report highlighting structural headwinds to growth and limited margin levers for Indian IT companies; India – Economy, arguing that household consumption will sharply slow in the next 1-2 years; India – Telecom, which assesses the potential of mobile money and quantifies the possible upside to telcos in the next 3-5 years.



## Other Updates

**Long term Credit Rating upgraded:** CARE has upgraded India Infoline Finance Ltd's credit rating for NCD and Long term debt to "**CARE AA**", from CARE AA-(AA Minus) earlier, indicating high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

**Awards:** IIFL Wealth Management was awarded "Best Wealth Management Company In India (>50 Employees)" by WealthBriefing Awards 2013. IIFL Wealth Management was also ranked as "Best Equity Portfolio Management" and "Best Real Estate Investment" in India by Euromoney Private Banking Survey 2013.

**Application for new bank:** IIFL has submitted its application to RBI for obtaining new bank license. IIFL proposes to convert its existing NBFC, India Infoline Finance Limited, into a bank.

## About IIFL

IIFL (India Infoline group), comprising the holding company, India Infoline Ltd (NSE: INDIAINFO, BSE: 532636) and its subsidiaries, is one of the leading players in the Indian financial services space. IIFL offers advice and execution platform for the entire range of financial services covering products ranging from Equities and derivatives, Commodities, Wealth management, Asset management, Insurance, Fixed deposits, Loans, Investment Banking, Govt bonds and other small savings instruments. It owns and manages the website, [www.indiainfoline.com](http://www.indiainfoline.com), which is one of India's leading online destinations for personal finance, stock markets, economy and business.

IIFL won 'Best Customer Service in Financial Markets' award organized by FranchiseIndia. Mr Nirmal Jain, our Chairman has also received the 'Entrepreneur of the Year' award at the 10<sup>th</sup> Franchise India Awards, 2012. IIFL has received 'Best Equity Broking House with Global Presence' at the D&B Equity Broking Awards 2012 as well as for 2011. IIFL Wealth was awarded 'Best Wealth Management House – India' at The Asset Triple A Investment Awards, 2012 as well as for 2011. IIFL has also been awarded as the 'Best Broker in India, 2011', by FinanceAsia and the 'Best Equity Broker of the Year, 2011' by Bloomberg UTV. A forerunner in the field of equity research, IIFL's research is acknowledged by none other than Forbes as 'Best of the Web' and '...a must read for investors in Asia'. IIFL research is available not just over the Internet but also on international wire services like Bloomberg, Thomson First Call and Internet Securities where it is amongst one of the most read Indian brokers.

A network of close to 3,672 business locations spread over close to 900 cities and towns across India facilitates the smooth acquisition and servicing of a large customer base. All our offices are connected with the corporate office in Mumbai with cutting edge networking technology. The group caters to a customer base of over a million customers, over a variety of mediums viz. online, over the phone and at our branches.



India Infoline Limited | Press Release | Financial Results: Q1FY14

*IIFL/ India Infoline refer to India Infoline Ltd and its group companies.*

This document may contain certain forward looking statements based on management expectations. Actual results may vary significantly from these forward looking statements. This document does not constitute an offer to buy or sell IIFL products, services or securities.

The press release, results and presentation for analysts/press for the quarter ended June 30, 2013, is available under the 'Investor Relations' section on our website [www.indiainfoline.com](http://www.indiainfoline.com).

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