



Press Release

For immediate publication

Mumbai, India

May 07, 2011

IIFL FY11 Consolidated Income up 31.1% yoy

Results (consolidated) for the year ended March 31, 2011

- Income for the year at ₹14,739 mn, up 31.1% yoy
- Income growth driven primarily by financing and lending business
- Profit after Tax at ₹2,111.4 mn, down 9.0% yoy

Summary consolidated financials

(₹Mn)

	Quarter ended Mar 31, 2011	Quarter ended Mar 31, 2010	Quarter ended Dec 31, 2010	% Year- on- Year	% Quarter- on- Quarter	Year ended Mar 31, 2011	Year ended Mar 31, 2010	% Year- on-Year
Income	3,684.1	3,097.9	4,596.3	18.9%	(19.8%)	14,739.4	11,238.7	31.1%
EBIDTA	1,420.7	1,029.0	2,199.0	38.1%	(35.4%)	6,067.5	4,373.1	38.7%
Profit Before Tax	651.5	791.8	1,006.1	(17.7%)	(35.2%)	3,127.9	3,547.2	(11.8%)
Profit After Tax	467.9	522.1	670.6	(10.4%)	(30.2%)	2,111.4	2,319.9	(9.0%)

Mr Nirmal Jain, Chairman, IIFL, commenting on the financial results of FY11 said, “During FY11, despite multiple headwinds for our businesses, we are pleased to report a healthy growth in the top-line. Bottom-line was under pressure due to higher interest cost and fall in broking yield. We however remain optimistic about the long term prospects of the industry. At the firm level, we plan to elevate the focus of retail broking business model from execution to advisory and continue broad-basing the revenue streams.”



Equities and Commodities Broking

Equities, broking and related revenue was ₹6,697.3 mn in FY11, down 4.6% yoy due to a change in the product mix in favor of futures and options segment.

In equities brokerage, our average daily turnover during the year was around ₹53 bn, a rise of 53% yoy. Market share on the NSE for FY11 increased to 4.0% from 3.8% in FY10. Average daily volumes in our commodities business stood at ₹7.4 bn during the year ending March 31, 2011, up 81% yoy.

Our in-depth, thematic research has been very well-received. Our recent research reports include 'China Property' - A detailed analysis of the China real estate market, 'India Utilities' - an analysis of India's cash-strapped utilities and implications for the sector and 'Enterprising India II' - a sequel to last year's edition featuring interviews of over 40 corporates.

Insurance Distribution and Marketing

During the year under review, our income from this segment was ₹1,842.7 mn, up 42.5% yoy. Our first premium mobilization stood at around ₹2,753 mn, up 13% yoy.

IIFL offers a wide bouquet of products to customers from several insurance companies including SBI Life, Reliance Life Insurance, Tata AIG, ICICI Prudential, Bajaj Allianz Life and others

The Life Insurance industry has gone through a challenging phase in the last few quarters. The changes made by the regulator have benefited the consumers and will drive industry growth over the long term.

Financing and Investment

The loan portfolio increased to around ₹33 bn as on March 31, 2011. Our loan book largely comprises secured lending with mortgages contributing to 60% and capital market products contributing to 35%. Our unsecured loan book has fallen to less than 1% of the total book. NPAs on our overall portfolio are less than 1%.

Wealth Management

Our Wealth Management business continues to grow. Assets under advisory are over ₹200 bn. During the year we received approvals from FSA, London. We also introduced the Family Office platform which is a multi-manager investment platform offering a complete wealth structuring solution, including inter-generational transfer, to clients.

Asset Management

IIFL Mutual Fund, the India Infoline Ltd sponsored mutual fund, has received final regulatory approval from the Securities & Exchange Board of India (SEBI) to start operations. India Infoline Asset Management Company Ltd is the Investment Manager of IIFL Mutual Fund.



Best Equity Broker of the Year - 2011

We were awarded the 'Best Equity Broker of the Year' at the recently held Bloomberg UTV Financial Leadership Awards, 2011. The award was presented by the Hon'ble Finance Minister of India, Shri Pranab Mukherjee. IIFL was selected by an eminent jury on the basis of a detailed methodology, process validation and research conducted by ICRA.

FLAME (Financial Literacy Agenda for Mass Empowerment) initiative by IIFL

FLAME is IIFL's unique CSR initiative to reach out to millions and spread financial literacy amongst masses to help their inclusion in the economic prosperity of India. FLAME was launched by Dr K C Chakrabarty, Deputy Governor, RBI and Mr Deepak S Parekh, Non- Executive Chairman, HDFC at a function attended by the leading luminaries from the financial service space.

In the last 2 months, we have made substantial progress and our campaign has received an over whelming response. Under this initiative, we have started an advertisement campaign in leading media and published a book called '108 mantras for Financial Success' targeted at small investors. We have also been conducting several financial literacy workshops across the country. The website dedicated for financial literacy www.flame.org.in is rapidly becoming popular and already has rich content. We are also using sms, chat and social media to reach out to people all over the country and address their queries and doubts regarding financial matters.

IIFL Global Investors Conference – An over-whelming response

IIFL's global investor conference 'Enterprising India – II' held in Mumbai had a participation of over 400 institutional investors, over 75 Indian and Sri Lankan companies and select specialist speakers. Specialist speakers included the likes of Dr Jim Walker, Dr Shashi Tharoor, Mr Shekhar Gupta, Mr Ajith Nivard Cabraal and Dr John J Ratey.

The conference had a strong line-up of top-quality investors including a number of marquee long-only funds that have estimated investments of more than US\$100 billion in India.

Mr Sat Pal Khattar honoured with the Padma Shri

IIFL erstwhile Director, Mr Sat Pal Khattar was conferred the Padma Shri for his distinguished service in the field of Trade and Industry. IIFL felicitated him at a function attended by leading luminaries from the financial service space, where Mr Deepak Parekh, Non-Executive Chairman, HDFC delivered the key-note address.

Among the many portfolios that he holds, Mr Khattar is the Chairman of the Singapore Business Federation, life trustee of Singapore Indian Development Association (SINDA) and Co-chairman of Singapore-India Partnership Foundation.



About IIFL (Bloomberg: 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, which is one of India's leading online destinations for personal finance, stock markets, economy and business.

IIFL has been awarded the 'Best Equity Broker of the Year, 2011' by Bloomberg UTV, 'Best Broker, India - 2008' by FinanceAsia and the 'Most improved brokerage, India - 2008' in the AsiaMoney polls. IIFL was also adjudged as 'Fastest Growing Equity Broking House - Large firms' by Dun & Bradstreet. 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 around 3,000 business locations spread over more than 500 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 about a million customers, over a variety of mediums viz. online, over the phone and at our branches.

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

The press release, results and presentation for analysts/press for the quarter and year ended March 31, 2011, is available under the 'Investors' Corner' section on our website www.indiainfoline.com.

For further information please contact:

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