



## **IIFL Holdings Limited**

Press Release

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# **IIFL Consolidated Q4FY14 Net Profit at ₹81Cr, up 21% qoq; Income at ₹788 Cr, up 14% qoq**

- Income for the quarter at ₹788 Cr up 14% qoq, 7% yoy
- Profit after Tax at ₹81 Cr, up 21% qoq and marginally up yoy
- Income for the quarter for NBFC operations at ₹525 Cr up 6% qoq, 9% yoy
- Profit after Tax for NBFC operations at ₹61 Cr, up 10% qoq and up 19% yoy
- Income for the quarter for Financial Products Distribution at ₹172 Cr, up 78% qoq and 44% yoy
- Assets under wealth advisory stood at close to ₹58,000 Cr

## **Summary consolidated financials**

₹ Crores	<i>Quarter ended Mar 31, 2014</i>	<i>Quarter ended Dec 31, 2013</i>	<i>% Quarter-on-Quarter</i>	<i>Year ended Mar 31, 2014</i>	<i>Year ended Mar 31, 2013</i>	<i>% Year-on-Year</i>
Income	787.7	689.7	14.2%	2,837.3	2,665.3	6.5%
Profit Before Tax	125.2	101.1	23.9%	419.8	400.4	4.8%
Profit After Tax	81.4	67.1	21.3%	278.1	272.2	2.2%

**Mr Nirmal Jain, Chairman, IIFL**, commented on the financial results, *“The exit poll results have aroused hopes of accelerated economic growth driven by political stability and pragmatic reforms. Consequently, outlook for financial services and particularly capital market looks brighter. IIFL is well positioned to seize this opportunity. We are pleased to report our FY14 results, a year in which we could mitigate impact of adverse capital market conditions with growth in our NBFC and Wealth businesses.”*



## Non Banking Finance Company Operations

₹ Crores	<i>Quarter ended Mar 31, 2014</i>	<i>Quarter ended Dec 31, 2013</i>	<i>% Quarter-on-Quarter</i>	<i>Year ended Mar 31, 2014</i>	<i>Year ended Mar 31, 2013</i>	<i>% Year-on-Year</i>
Income	525.3	496.6	5.8%	1,970.4	1,737.2	13.4%
Profit Before Tax	94.1	79.3	18.6%	311.2	273.8	13.7%
Profit After Tax	60.9	55.6	9.6%	210.4	188.7	11.5%

**Our loan book** is predominantly retail and entirely secured with adequate collaterals. The loan portfolio stood at ₹10,890 Cr as on March 31, 2014 which registered a growth of 16% year on year. The portfolio comprises mortgages, property loans, capital market products, gold loans, commercial vehicle loans and medical equipment financing. The recent RBI norms of capping gold LTV for banks at 75% and increasing LTV for NBFCs from 60% to 75% have created a level playing field for NBFCs.

**Superior asset quality:** We continue to maintain high quality of assets. This is evident in low levels of NPAs. Our Gross NPAs and Net NPAs stood at 0.86% and 0.33% respectively as on March 31, 2014. Against gross NPA of ₹93.9 Cr we have non standard asset provision of ₹57.7 Cr and hence our net NPA stands at 0.33%. Besides this, we have a provision of ₹31.0 Cr, for standard assets, as per statutory requirement.

**Improved margins:** NIM for the quarter was 7.5% and the spread was 6.7%, showing a healthy improvement over last quarter.

## Financial products distribution

In Q4FY14, our income from this segment was ₹172 Cr, up 78% qoq and up 44% yoy. In this segment, distribution of life insurance, mutual fund and portfolio advisory are major contributors to income. IIFL Wealth has emerged as one of the leading players in the wealth management business with assets under advice of close to ₹58,000 Cr. Mutual fund AUM mobilized by IIFL Group is close to ₹16,000 Cr.

## Capital market activities

Capital market income was ₹75 Cr in Q4FY14, down 8% qoq and down 43% yoy. Market volumes have picked up since March 2014 and therefore this segment can witness substantial growth.



## Awards

IIFL Private Wealth was voted as the **Best Private Banking Services Overall India** by industry peers in Euromoney Private Banking and Wealth Management Survey 2014. IIFL Wealth was also ranked No 1. in eight additional categories like Best Relationship Management, Corporate Advisory for private banking clients, Range of Investment Products, Specialised services for Entrepreneurs, Fixed Income Portfolio Management Managed Futures, Real Estate Investment and Hedge Fund Investment.

## Overwhelming response to India Infoline Housing Finance bond issue in March 2014

India Infoline Housing Finance Limited (IIHFL), the housing finance subsidiary of India Infoline Finance Limited, one of the largest diversified financial services companies in India, came out with the public issue of IIFL Home Bonds. The issue of unsecured redeemable non-convertible debentures, which is of the nature of subordinated debt, was eligible for Tier-II capital. The issue size was of ₹100 crore with an option to retain over-subscription up to ₹100 crore, aggregating to a total of up to ₹200 crore. The bond received overwhelming response to its issue which was oversubscribed 2.24 times of the base price.

## Institutional Investors' conference – 'Enterprising India'

IIFL's Fifth Global Investors Conference, Enterprising India – V Global was the biggest conference so far. The theme of this 3 – day conference was EPS: Economy, Politics and Sentiment. The conference saw participation by 83 companies and over 600 investors. In addition IIFL featured 15 specialist speakers including Dr Jim Walker, renowned Economist, Dr K C Chakrabarty, Dy Governor of RBI, Rajan Anandan, CEO of Google India, Rahul Dravid, Indian Cricketer, Nipun Mehta, Philanthropist and Ashish Dhawan, Social Entrepreneur. Investors' mood was of cautious optimism and politics remained a key topic of discussion. The participating companies played down any expectations of quick turnaround in consumption demand or the investment cycle. In essence India would remain a bottom-up stock pickers' market in the foreseeable future.

## ACE: Wealth Conference

IIFL Wealth Management hosted ACE, an acronym for the theme – 'Accountability Creates Excellence.' IIFL believes this year will be a year of accountability, good governance, consistent progress and rapid change and hence to mark this paradigm shift, ACE was organised. The event attracted HNI and UHNI clients at the Grand Hyatt in Mumbai. Dr. Arun Shourie, eminent journalist, author and politician, spoke on 'The Politics of Reform' and participated in an interactive session hosted by Nirmal Jain, Chairman, IIFL. Dr Subramanian Swamy, who recently joined the BJP, dwelt on Corporate Governance & Accountable Leadership while Zarina & Ronnie Screwvala, Founders, Swades Foundation shared their insights on social welfare. Swami Parthasarathy, Founder of Vedanta Academy spoke on 'When Enough is Enough,' translating subtle philosophical themes into practical



techniques of living. The other speakers included Vineet Nayar, Founder, Sampark Foundation and former CEO, HCL Tech.

## **FLAME**

FLAME (Financial Literacy Agenda for Mass Empowerment) is an IIFL Foundation initiative to promote financial literacy amongst the masses in order to make them an integral part of India's spectacular growth story. Currently under the FLAME initiative cared guidance and counselling is being provided to students from standard VIII to X in Jawhar which is in Thane District of Maharashtra.

IIFL partnered with K J Somaiya Institute for a six month program which was undertaken to impart financial knowledge to physically handicapped students of NASEOH (National Society for Equal Opportunities for the Handicapped). This project for NASEOH covers lessons on savings, budgeting, banking, microfinance and self-help groups (SHGs). Literacy activities were also undertaken for Adarsh Vidyalaya in Mumbai.

The FinLites project for underprivileged section of society saw an increase in the number of students. On an average the number of students increased by more than 100% every year. IIFL sponsored financial literacy books for the 442 students. Financial Literacy was imparted in three batches through the year. Additional, a course in basic English was also conducted for the students. Students were awarded certificates on completion of the course.

The key highlights of the project this year was the increase in the number of students, distribution of IIFL-FLAME books to all students, revision of FinLites material to make it visually appealing and interactive and interaction of IIFL representatives with students of Adarsh Vidyalaya.

## **About IIFL**

IIFL (India Infoline group), comprising the holding company, IIFL Holdings Ltd (NSE: IIFL, BSE: IIFL) 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.indiaonline.com](http://www.indiaonline.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, from 2011 to 2013. 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 3,000 business locations spread 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.

*IIFL/ India Infoline refer to IIFL Holdings 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 March 31, 2014, is available under the 'Investor Relations' section on our website [www.indiainfoline.com](http://www.indiainfoline.com).

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