



Press Release
For immediate publication

Mumbai, India
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**IIFL Consolidated H1FY14 Net Profit at ₹130 Cr, up 10% yoy;
Income at ₹1,360 Cr, up 10% yoy**

Half Year Results (consolidated) for April - Sept 2013 (H1FY14)

- Income for the half year at ₹1,360 Cr up 10% yoy
- Earnings before Interest, Depreciation and Tax was at ₹778 Cr, up 29% yoy
- Profit after Tax at ₹130 Cr, up 9.8% yoy

Quarter Results (consolidated) for July - Sept 2013 (Q2FY14)

- Income for the quarter at ₹683 Cr up 5% yoy, marginally up qoq
- Earnings before Interest, Depreciation and Tax was at ₹402 Cr, up 29% yoy and up 7% qoq
- Profit after Tax at ₹66 Cr, marginally up yoy and up 5% qoq

Summary consolidated financials

₹ Crores	Quarter ended Sep30, 2013	Quarter ended Jun 30, 2013	Quarter ended Sep 30, 2012	% Year-on-Year	% Quarter-on-Quarter	Half year ended Sep 30, 2013	Half year ended Sep 30, 2012	% Year-on-Year
Income	683.5	676.4	653.2	4.6%	1.0%	1,359.9	1,235.8	10.0%
EBIDTA	402.1	376.1	312.5	28.7%	6.9%	778.2	604.6	28.7%
Profit Before Tax	101.0	92.5	95.8	5.4%	9.2%	193.5	177.9	8.8%
Profit After Tax	66.4	63.2	65.8	0.8%	5.0%	129.6	118.1	9.8%

Mr Nirmal Jain, Chairman, IIFL, commented on the financial results of Q2FY14 “We are pleased to report positive growth quarter over quarter as well as year over year, despite significant head winds from adverse capital market conditions and high interest cost. Our business mix has undergone a huge transformation over the last 3 years. Our financing business has emerged as the key driver and is delivering a steady growth, whereas capital market related business has contracted considerably.”



Fund based activities

Financing and investment income was ₹507 Cr, which was 74% of total revenue. The NBFC subsidiary's loan portfolio stood at ₹9,935 Cr as on September 30, 2013. Our loan book is predominantly retail and entirely secured with adequate collaterals. The portfolio comprises 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 38.4% in Q2FY13 to 26.9% in Q2FY14. The share of mortgage/ LAP has risen to 41.2% during the same period.

We continue to maintain high quality of assets. This is evident in low levels of NPAs. Our gross NPAs and net NPAs stood at 0.66% and 0.30% respectively at as on September 30, 2013. Against gross NPA of ₹65.9 Cr we have non standard asset provision of ₹35.8 Cr and hence our net NPA stands at 0.30%. Besides this, we have a provision of ₹27.2 Cr, for standard assets, as per statutory requirement.

Our capital adequacy remains steady at 20.3%. NIM for the quarter was 7.2% and the spread was 6.5%, around the same levels as previous quarter

Financial products distribution

In Q2FY14 our income from this segment was ₹91 Cr, up 54% 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 over ₹44,500 Cr. IIFL Group's MF AUM is close to ₹14,500 Cr.

Insurance WAPI for the quarter was ₹53 Cr.

Mr Mohammad Kantawala, Principal Officer, India Infoline Insurance Brokers Ltd, pointed out *"IIFL was the first corporate agent in India and later became a corporate broker in 2008, in line with its open architecture distribution policy. IIFL's free look cancellation stands at 0.12% since inception which compares well with its peers in the industry. IIFL continues to focus on need based selling to ensure high level of persistency. Our persistency is over 75% and steps are being taken to improve this further."*

Capital market activities

Capital market income was ₹83 Cr in Q2FY14, down 38% yoy, as all market volumes are down in all three components. Retail cash market volumes witnessed further degrowth, continuing to put brokerage income under pressure. Commodity and currency market volumes also declined in the quarter under review, post imposition of Commodity Transaction Tax (CTT) and trading restrictions on currency futures.

Mr R Venkataraman, Managing Director, IIFL, commented *"Market is at an all time high but retail equity investors feel all time low in the last decade. According to our study in Sensex journey, from previous peak to today's peak over last 5 years, in case of FII stocks, Sensex is at equivalent of 41375*



whereas small cap index is at 9044. Under the changed structure of the market, we advise smaller clients of say assets upto ₹2 lakhs to refrain from direct equities but invest through mutual funds, bonds and insurance to contain the risk.”

Mr S Sridhar joins India Infoline Housing Finance Limited as Chairman; Mr Kranti Sinha as Independent Director: Mr S Sridhar, former Chairman of National Housing Bank (NHB) and Central Bank of India, has been appointed as Non Executive Chairman while Mr. Kranti Sinha, former CEO of LIC Housing Finance Limited and Director of India Infoline Limited has been appointed as Independent Director of India Infoline Housing Finance Limited. Mr 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 35 years culminating as the Chairman of NHB and Central Bank of India. Mr Kranti Sinha is a renowned person in insurance and housing finance industry. He served as the Director and Chief Executive Officer of LIC Housing Finance Limited and concurrently as the Managing Director of LICHFL Care Homes.

Mr Keki Dadiseth joins IIFL Advisory Board: Mr Keki Dadiseth, former Chairman of Hindustan Unilever Limited (“HUL”) and former Director of Unilever Plc and Unilever NV, has joined the Advisory Board of India Infoline Group. IIFL Group constituted an Advisory Board last year with a view to benefit from the advice of eminent professionals from diverse fields. The other members of the Advisory Board of IIFL Group include luminaries from various fields like law, banking, financial services and government like Mr Keki Mistry, Mr Ashok Jha, Mr Sat Pal Khattar, Mr Somasekhar Sundaresan and Mr S Venkatachalam.

Awards: During the quarter, IIFL Wealth Management was awarded “The Best Wealth Management House in India” by the Asset Triple A Investment Awards – 2013, third year in a row. IIFL Wealth was also awarded “Fastest Growing Wealth Management Company in India” by UTI & CNBC-TV18 Financial Advisor Awards – 2013. Three of IIFL’s research analysts won “India’s Best Market Analyst Awards 2013” by Zee Business in their respective categories.

Successful public issue of IIFL Secured Bonds: The public issue of secured bonds by India Infoline Finance Ltd (IIFL) which closed on September 23, 2013, received an overwhelming response from retail as well as institutional investors. As per BSE and NSE websites, bids for ₹1,154 Cr were received for the issue of ₹525 Cr with a green-shoe option to retain an additional 100%. This was the largest mobilization by public issue of NCDs/ Bonds by any private sector company in India, in the last 4 years¹. The NCDs were rated ‘CARE AA’[Double A] by CARE and ‘BWR AA (Outlook:Stable)’ by Brickwork.

Clarification on NSEL: Neither India Infoline Commodities Ltd nor any of the promoters nor any of IIFL Group companies have neither taken any proprietary exposure to NSEL nor have financed any

¹ As per Prime Database



outstanding trades thereon. Therefore there is no direct financial liability on account of NSEL to IIFL or any of its Group company's balance sheet. Any rumors to the contrary are baseless and with malicious intent.

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, 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 10th 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 3,500 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 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 September 30, 2013, is available under the 'Investor Relations' section on our website www.indiainfoline.com.

For further information please contact:



India Infoline Limited | Press Release | Financial Results: Q2FY14

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